

1.1 moves to amend H.F. No. 2259, the first engrossment, as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. [119C.01] DEFINITIONS.

1.4 Subdivision 1. **Application.** The definitions in this section apply to this chapter.

1.5 Subd. 2. **Commissioner.** "Commissioner" means the commissioner of administration.

1.6 Subd. 3. **Department.** "Department" means the Department of Administration.

1.7 Subd. 4. **Director.** "Director" means the director of early education and development.

1.8 Subd. 5. **Early education programs.** "Early education programs" include:

1.9 (1) the school readiness program under sections 124D.15 and 124D.16;

1.10 (2) the voluntary prekindergarten program under section 124D.151;

1.11 (3) the early learning scholarship program under section 124D.165; and

1.12 (4) the Head Start program under sections 119A.50 to 119A.545.

1.13 Sec. 2. [119C.02] POLICY AND PURPOSE.

1.14 (a) The purpose of chapter 119C is to establish an Office of Early Education and
1.15 Development to coordinate Minnesota's early education and development programs and
1.16 funding in accordance with state law.

1.17 (b) It is in the best interests of Minnesota families that early education and development
1.18 programs be coordinated to maximize quality, access, accountability, and cost-effectiveness.

2.1 Sec. 3. [119C.03] DIRECTOR OF EARLY EDUCATION AND DEVELOPMENT.

2.2 Subdivision 1. **Appointment.** The governor must appoint the director of early education
2.3 and development, subject to the advice and consent of the senate. The director must report
2.4 to the commissioner, who must provide necessary administrative support to the director.

2.5 Subd. 2. **Qualifications.** The governor must select the director on the basis of professional
2.6 qualifications and knowledge of early childhood development, early childhood education,
2.7 and related public policies. The director serves in the unclassified service for a term of four
2.8 years. The first term must end on December 31, 2020. The governor may remove the director
2.9 for cause. If a director resigns or is removed for cause, the governor must appoint a director
2.10 for the remainder of the term.

2.11 Subd. 3. **Compensation.** Compensation of the director shall be established under chapter
2.12 15A.

2.13 Subd. 4. **Duties; powers.** (a) The director must:

2.14 (1) develop early education program policies;

2.15 (2) coordinate outreach to eligible families to provide uniform notification about available
2.16 program options;

2.17 (3) streamline the administration of each early education program;

2.18 (4) manage data collection to support and evaluate a coordinated system of early child
2.19 care and education;

2.20 (5) coordinate internal and external evaluation of early child care and education programs
2.21 to measure and report on their effectiveness and efficiency;

2.22 (6) calculate the total aid to each child for the programs listed in section 119C.01,
2.23 subdivision 5;

2.24 (7) establish the aid limit under section 119C.05;

2.25 (8) develop data-sharing agreements and memoranda of understanding, as necessary,
2.26 with the commissioners of administration, education, health, and human services; and

2.27 (9) serve as executive director of the Children's Cabinet established in section 4.045.

2.28 (b) In carrying out the duties under paragraph (a), the director shall have the authority
2.29 to:

2.30 (1) direct the commissioner of education to administer early education programs in
2.31 accordance with the director's plans developed under paragraph (a);

3.1 (2) direct the commissioner of human services to administer the quality rating and
3.2 improvement system in accordance with the director's plans develop under paragraph (a);

3.3 (3) direct and control money appropriated to the director;

3.4 (4) review educational data in accordance with section 13.32 and welfare data in
3.5 accordance with section 13.46; and

3.6 (5) enter into agreements with other state agencies to provide appropriate funding to
3.7 early child care and education programs.

3.8 Subd. 5. **Coordination with other agencies.** The director must coordinate early education
3.9 program activities including the quality rating and improvement system with advice from
3.10 the commissioners of education and human services.

3.11 Subd. 6. **Annual report.** The director must submit an annual report to the chairs and
3.12 ranking minority members of the legislative committees having jurisdiction over education
3.13 in the senate and the house of representatives, in compliance with section 3.195. The report
3.14 must include data relating to the number of children participating in each program, the
3.15 participating families' income level, aid received per child per program, total aid received
3.16 per child per family, and the number of waivers to the aid limit granted. The director must
3.17 submit the report by January 15, 2020, and annually thereafter.

3.18 **EFFECTIVE DATE.** This section is effective July 1, 2017.

3.19 Sec. 4. **[119C.04] PROGRAM ADMINISTRATION.**

3.20 Subdivision 1. **Other funds.** The director may direct the commissioner of education
3.21 and commissioner of human services to:

3.22 (1) apply for and receive federal funds made available to the state by federal law or rule
3.23 for any purpose related to the administration of early education funds; and

3.24 (2) apply for and receive donations or grants from a public or private concern.

3.25 Subd. 2. **Sliding fee.** The director may charge a fee on a sliding scale for a program
3.26 under this chapter with consideration for program quality, program schedule, or family
3.27 income.

3.28 Subd. 3. **Accountability.** Each child enrolled in a program under this chapter must
3.29 receive a kindergarten readiness assessment consistent with section 124D.162.

3.30 Subd. 4. **Program aid guarantee.** The director must administer program and child
3.31 eligibility and program aid amounts for each early education program under this chapter

4.1 consistent with statutory provisions for each early education program under this chapter.
4.2 An early education program under this chapter must receive aid in fiscal year 2018 and later
4.3 that is equal to or greater than the aid the program received in fiscal year 2017.

4.4 **EFFECTIVE DATE.** This section is effective July 1, 2017.

4.5 **Sec. 5. [119C.05] AID LIMITS.**

4.6 Subdivision 1. **Director to establish limits.** (a) Notwithstanding any law to the contrary,
4.7 the director must establish the maximum annual aid a child three or four years of age may
4.8 generate from any combination of programs under this chapter based on family income
4.9 level. The director must establish the aid limits by January 15, 2019, and implement the aid
4.10 limits by July 1, 2019.

4.11 (b) The aid limit under this section must be based on the director's review of the market
4.12 rate survey under section 119B.02 and information provided by the commissioner of
4.13 education and commissioner of human services regarding aid generated to a child through
4.14 multiple programs.

4.15 Subd. 2. **Aid limit effect.** If the total aid to a child enrolled in a combination of programs
4.16 would exceed the aid limit, the director must reduce the aid to the child participating in the
4.17 programs.

4.18 Subd. 3. **Programs included in limit.** For the purposes of the limit under this subdivision,
4.19 the director must include any federal Head Start aids attributable to a child.

4.20 Subd. 4. **Limit waiver.** Notwithstanding subdivision 1, the director may waive the aid
4.21 limit for children facing extreme hardship or urgent need, including for families experiencing
4.22 homelessness, or with children in foster care or involved with the child protection system.

4.23 **EFFECTIVE DATE.** This section is effective January 1, 2019.

4.24 **Sec. 6. [119C.06] EARLY EDUCATION RESOURCE HUBS.**

4.25 (a) The director may establish early education resource hubs throughout the state. The
4.26 director shall contract with appropriate organizations to serve as resource hubs.

4.27 (b) Early education resource hubs must, in consultation with a regionally representative
4.28 group of program participant parents, develop strategies to support outreach to families,
4.29 connection to resources, and program choice.

4.30 **EFFECTIVE DATE.** This section is effective July 1, 2018.

5.1 Sec. 7. **REPORT REQUIRED.**

5.2 No later than January 15, 2018, the commissioner of human services and the
5.3 commissioner of education must deliver a report to the chairs and ranking members of the
5.4 legislative committees having jurisdiction over early childhood education and human
5.5 services. At a minimum, the report must:

5.6 (1) make recommendations relating to:

5.7 (i) coordinating state resources for child care assistance provided through the basic
5.8 sliding fee program under Minnesota Statutes, section 119B.03, and the Minnesota family
5.9 investment program under Minnesota Statutes, chapter 256J;

5.10 (ii) aligning family income eligibility requirements for programs under Minnesota
5.11 Statutes, chapters 119B, 119C, and 256J;

5.12 (iii) reducing duplicative paperwork and administrative burden and increasing the stability
5.13 of funding for families of children eligible for both an early learning scholarship and support
5.14 from the child care assistance program;

5.15 (iv) maximizing child care assistance program integrity and payment mechanisms to
5.16 increase accountability and efficiency;

5.17 (v) integrating the data collection systems of the child care assistance program and other
5.18 early education and development programs currently administered by the Department of
5.19 Education, the Department of Human Services, and the Department of Health;

5.20 (vi) selecting appropriate organizations to serve as early education resource hubs under
5.21 section 119C.06 and supporting outreach to families through the resource hubs; and

5.22 (vii) transferring powers and duties related to other early education and development
5.23 programs currently administered by the Department of Education, the Department of Human
5.24 Services, or the Department of Health;

5.25 (2) provide data, to the extent practicable, on the number of children participating in
5.26 more than one child care or early education program administered by the Department of
5.27 Human Services or the Department of Education, including the aid received by the
5.28 participants under each program; and

5.29 (3) identify any barriers to tracking the total amount of aid each child receives from a
5.30 combination of programs. The report must be submitted in accordance with section 3.195.

5.31 **EFFECTIVE DATE.** This section is effective July 1, 2017.

6.1 Sec. 8. APPROPRIATIONS.

6.2 Subdivision 1. Commissioner of education. The sums indicated in this section are
6.3 appropriated from the general fund to the commissioner of education for the fiscal years
6.4 designated.

6.5 Subd. 2. School readiness. For revenue for school readiness programs under Minnesota
6.6 Statutes, sections 124D.15 and 124D.16:

6.7	\$	<u>33,683,000</u>	.....	<u>2018</u>
6.8	\$	<u>33,683,000</u>	.....	<u>2019</u>

6.9 The 2018 appropriation includes \$3,368,000 for 2017 and \$30,315,000 for 2018. The
6.10 2019 appropriation includes \$3,368,000 for 2018 and \$30,315,000 for 2019.

6.11 Subd. 3. Early learning scholarships. For the early learning scholarship program under
6.12 Minnesota Statutes, section 124D.165:

6.13	\$	.....	.....	<u>2018</u>
6.14	\$	.....	.....	<u>2019</u>

6.15 Up to \$..... each year is for the commissioner of education to administer this program.
6.16 Up to \$..... each year is for the director to implement and evaluate this program. Any
6.17 balance in the first year does not cancel but is available in the second year.

6.18 Subd. 4. Head Start program. For Head Start programs under Minnesota Statutes,
6.19 section 119A.52:

6.20	\$	<u>25,100,000</u>	.....	<u>2018</u>
6.21	\$	<u>25,100,000</u>	.....	<u>2019</u>

6.22 Subd. 5. Administrative coordination. The director of early education and development
6.23 and commissioner of education must coordinate payments under this act.

6.24 Sec. 9. APPROPRIATIONS.

6.25 Subdivision 1. Commissioner of human services. The sums indicated in this section
6.26 are appropriated from the general fund to the commissioner of human services for the fiscal
6.27 years designated.

6.28 Subd. 2. Quality rating and improvement system. For the quality rating and
6.29 improvement system under Minnesota Statutes, section 124D.142, and increasing supports
6.30 for providers participating in the quality rating and improvement system:

6.31	\$	<u>1,750,000</u>	.....	<u>2018</u>
6.32	\$	<u>1,750,000</u>	.....	<u>2019</u>

7.1 Any balance in the first year does not cancel but is available in the second year.

7.2 Sec. 10. **REVISOR'S INSTRUCTION.**

7.3 The revisor of statutes shall revise, as necessary, and recodify in Minnesota Statutes,
7.4 chapter 119C, the early education programs defined in section 1, subdivision 5.

7.5 **EFFECTIVE DATE.** This section is effective July 1, 2017."

7.6 Amend the title accordingly