



The Honorable Carlie Kotyza-Wittuhn  
The Honorable Nolan West  
Chairs, Children and Families Finance and Policy  
Minnesota House of Representatives

Dear Chairs and Committee Members:

The Minnesota Alliance of YMCAs representing seventeen YMCA Associations throughout our great State would like to submit this letter of support for **HF470** authored by West, Kotyza-Wittuhn, Norris, Tabke, Coulter, Pinto, Virnig, Kraft and Spencer-Mura - appropriation for early learning scholarships.

Childcare is crucial in Minnesota because it supports families' economic stability, enabling parents to work or pursue education and ensuring children receive the best quality care and are prepared for school. Early learning scholarships will provide resources to ensure that families can enroll and gain access to quality care.

The YMCA is the largest nonprofit provider of childcare in Minnesota. Over 2000 children per day attend early childhood YMCA programs throughout the state. 40 % of our daycare participants receive a scholarship so that they can participate in daycare. MN Alliance of YMCAs understand the importance of providing quality and affordable daycare for families. We understand that when families have access to affordable childcare, it allows parents to participate in the workforce, boosting the state's economy. Minnesota's economy loses \$2.1 billion annually due to the childcare challenges.

The Minnesota Alliance of YMCAs encourage you and the committee to approve HF 470, this important childcare appropriation for early learning scholarships.

Sincerely,

**David Dominick**

David Dominick  
Director of Public Policy  
Minnesota Alliance of YMCAs  
1761 University Avenue West  
Saint Paul, MN 55104



**FOR YOUTH DEVELOPMENT®  
FOR HEALTHY LIVING  
FOR SOCIAL RESPONSIBILITY**

April 1, 2025

**The Honorable Nolan West & Carlie Kotyza-Wittuhn**

Chairs, Children and Families Finance and Policy  
Minnesota House of Representatives

**Dear Chairs and Committee Members:**

The YMCA of the North would like to submit this letter of support for HF470 authored by West, Kotyza-Wittuhn, Norris, Tabke, Coulter, Pinto, Virnig, Kraft and Spencer-Mura -appropriation for early learning scholarships.

Childcare is crucial in Minnesota because it supports families' economic stability, enabling parents to work or pursue education and ensuring children receive the best quality care and are prepared for school. Early learning scholarships will provide resources to ensure that families can enroll and gain access to quality care.

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The YMCA of the North encourage you and the committee to approve HF 470, this important childcare appropriation for early learning scholarships.

Kelly Monson  
Senior Vice-President, Child and Family Wellbeing  
YMCA of the North  
Kelly.monson@ymcanorth.org

**YMCA OF THE NORTH**

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Minneapolis, MN 55404  
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March 25, 2025

Dear Members of the Children and Families Committee,

We write on behalf of the Education Partnerships Coalition to express our strong support for House File 470, which seeks \$96.5 million in funding for Early Learning Scholarships.

As a statewide coalition committed to ensuring that all children and youth in Minnesota have access to the education and resources they need to succeed, we believe this investment is both timely and critical in this moment where early childhood education is an issue with broad support in diverse communities across our great state.

Early childhood education is a fundamental building block for future academic success, social-emotional well-being, and long-term achievement. Research consistently shows that quality early learning experiences, particularly for children from low-income backgrounds and historically marginalized communities, have a profound impact on their educational, career, and life outcomes. House File 470 represents a significant step toward expanding access to these transformative opportunities for thousands of Minnesota children.

In addition, a strong early childhood support ecosystem is increasingly recognized as a competitive advantage when communities and states seek to attract and develop a workforce for the future. Those that invest in early childhood are winning this race.

The Education Partnerships Coalition brings together a broad array of community initiatives that work at the local level to support children and families from early childhood to early profession.

Our members are deeply invested in ensuring that every child, regardless of background or zip code, is provided with the tools and resources needed to thrive.

We believe that allocating additional funding for Early Learning Scholarships will break barriers to high-quality early education and allow families across Minnesota to make choices that best meet the needs of their children and allow parents to participate fully in the workforce.

In closing, the Education Partnerships Coalition strongly urges you to support House File 470 and the vital funding it provides for Early Learning Scholarships.

Thank you for your leadership and commitment to Minnesota's children and families.

Sincerely,

Education Partnerships Coalition, including:

Austin Aspires \* Children First (West Metro) \* C2C (Rochester) \* Generation Next (Twin Cities) \* Healthy Community Initiative (Northfield & Faribault) \* Northside Achievement Zone (Minneapolis) \* RiseUp Partnership (Red Wing) \* Saint Paul Promise \* United Way of Central Minnesota (Greater St. Cloud)

**Our children succeed in school and in life. Our communities thrive. Our state is equitable and prosperous for ALL.**

Representatives Nolan West and Carlie Kotyza-Witthuhn  
Chairs, Children and Families Finance and Policy  
Centennial Office Building  
St. Paul, MN 55155

April 1, 2025

Chairs and Members of the Committee,

On behalf of Start Early Funders Coalition, we are writing in support of HF470, in support of early learning scholarships. Without investment this year, our Early Learning Scholarships program will be cut in half. This reduction will have a significant impact on young children, and families experiencing significant hardship. Our state made significant investments in 2023, and our children deserve ongoing support to make sure they start off strong and supported. Without ongoing funding, 15,000 babies, toddlers and preschoolers who are eligible for early learning scholarships will be denied the opportunity to access high quality child care and early learning.

Our vision as a Coalition is that every child in Minnesota is physically, socially, emotionally and cognitively prepared for school and lifelong success. Our coalition is committed to supporting policies that will benefit low-income, rural and Black, Indigenous and children of color and their families; and the programs that serve them. Child care and early learning is in crisis across our entire state. High quality programs are closing, and families are finding it increasingly more difficult to be able to afford the high-quality care their children need. Investments to families through these critical programs, like early learning scholarships, are essential to prepare our children for educational and life success.

Flexible, and child-driven Early Learning Scholarships provide greater access to quality care and education for our children and their families with the greatest economic need. We know that these investments can ease the early childhood care and education shortage, support parents to be able to work, particularly in rural communities and is a key strategy for achieving more equitable outcomes for young children. Minnesota's economy relies on access to quality, affordable child care and early learning and parents, businesses and communities cannot thrive without an adequately supported early learning system. We must ensure all children birth to kindergarten from low-income families have access to these programs.

We support a robust early childhood system that gives children and families access to a continuum of high-quality child care and early learning programs. We must maintain and continue to grow equitable investments in critical early childhood programs based on ongoing community feedback and guidance.

Sincerely,  
Allison Corrado,  
Start Early Funders Coalition  
Public Policy Committee



March 25, 2025

The Honorable Nolan West & The Honorable Carlie Kotyza-Wittuhn  
Chairs, Children and Families Finance and Policy  
Minnesota House of Representatives

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The Minnesota Alliance of YMCAs encourage you and the committee to approve HF 470, this important childcare appropriation for early learning scholarships.

Sincerely,

*David Dominick*

David Dominick  
Director of Public Policy  
Minnesota Alliance of YMCAs  
1761 University Avenue West  
Saint Paul, MN 55104



Minnesota House of Representatives  
Children and Families Finance and Policy  
April 1, 2025  
House File 470

Dear Members of the Committee,

The Minnesota Business Partnership is comprised of over 100 CEOs and senior executives leading Minnesota's largest companies. Our members are united by the mission of enhancing Minnesota's economic competitiveness and ensuring Minnesota has a future-ready workforce.

Thank you for the opportunity to comment on HF 470. The MBP is a strong supporter of Early Learning Scholarships and the legislature must take action in 2025 to ensure continued funding. Minnesota faces an urgent child care crisis that affects parents, providers, employers, and, most importantly, our littlest learners.

The cost of quality child care is increasingly out of reach for many families, leaving parents struggling to find reliable and enriching environments for their children. This childcare crisis extends beyond families and providers—Minnesota's employers are facing a worker shortage, which is exacerbated by parents who cannot find the child care they need to return to work.

Early Learning Scholarships address these pressing issues head-on, and they empower families to access high-quality early education programs. The scholarships offer stability to child care providers and reward quality improvements, ensuring that children receive the best possible early learning experiences.

Thank you for prioritizing funding for Early Learning Scholarships in 2025, ensuring that our state's child care and early learning investments are administered efficiently, with a focus on high-quality standards. The future of Minnesota's children, families, workforce, and economy depend on it.

Thank you,

Abby Loesch  
Education and Workforce Policy Director  
Minnesota Business Partnership



April 1, 2025

The Honorable Nolan West  
Committee Co-Chair  
Children & Families Finance & Policy Committee  
Second Floor Centennial Office Building  
658 Cedar Street  
St. Paul, Minnesota 55155

The Honorable Carlie Kotyza-Witthuhn  
Committee Co-Chair  
Children & Families Finance & Policy Committee  
Fifth Floor Centennial Office Building  
658 Cedar Street  
St. Paul, Minnesota 55155

**RE: Early Learning Scholarships Are a Wise Investment for Minnesota (House File 470)**

Dear Co-Chair West, Co-Chair Kotyza-Witthuhn, and Members of the Children & Families Finance & Policy Committee:

It is with great enthusiasm that we share our support for House File 470 which maintains the current level of funding for Early Learning Scholarships! While we would like to see even greater public investments in this important program, we're grateful to this Committee for prioritizing infants, toddlers and preschoolers growing up in families with low-incomes – children who research shows benefit the most from high-quality early experiences.

Early Learning Scholarships are an integral part of Minnesota's early childhood care and education system, making quality child care and education available to more than 16,000 infants, toddlers and preschoolers each year. Allocating General Fund spending for these critical Scholarships is a wise investment not only in Minnesota's youngest members, but also in families, local communities and our State. Today's children are tomorrow's parents, caregivers, workers, and public servants.

The importance of and access to high-quality early childhood care and education is immense! Eighty percent of brain development happens during the first three years of life. By the time a child is two years old, children from low-income families can be six months behind their peers from high-income families in language processing skills and vocabulary. A vast body of research documents the numerous positive outcomes stemming from access to high-quality early childhood care and education, including: greater success in elementary school, increased high school and college graduation rates, and higher lifetime earnings.

CDF-MN advocates for children and families who have been pushed to the margins. Forty percent of Minnesota children who received an Early Learning Scholarship during Fiscal Year 2024 were from at least one of four priority areas: a child of a teen parent pursuing a high school or GED diploma, a child in foster care, a child in need of child protective services, or a child whose family experienced homelessness during the previous 24 months. CDF-MN has a long history of and commitment to making visible the well-being of young, homeless children. During FY24, 4,765 young children (30% of Scholarship recipients) receiving scholarships had experienced homelessness. Quality early childhood care and education programs, made accessible through Scholarships, can attenuate the adverse effects of homelessness, thereby positioning children to be ready to enter school, learn, and succeed.

Maintaining access to high-quality early childhood care and education programs for infants, toddlers and preschoolers with the highest needs should continue to be a priority for our State. We urge you to support House File 470 and funding for Early Learning Scholarships. Thank you for placing the well-being of children and families at the center of your discussions and decision-making. We're grateful for your service.

Together For Children,

/s/ Alisha Porter  
State Director

/s/ Alexandra Fitzsimmons, Esq.  
Senior Policy Director



March 31, 2025

Dear Members of the House Children and Families Finance and Policy Committee,

On behalf of the Minnesota Child Care Association (MCCA), I would like to register our enthusiastic support for HF470. In a year when our state faces significant budget challenges, maintaining current resource levels in Early Learning Scholarships (ELS) is one of the best investments we can make, for today and for tomorrow.

We were thrilled in 2023 when the legislature expanded full ELS eligibility to children ages 0-5, and when this was accompanied by a significant increase in funding. Newly-eligible infants and toddlers were the most expensive end of the early childhood spectrum, and starting at birth finally followed the research on brain development – 80% happens *before* a child turns three! More low-income parents than ever are now seeking this support to both get their children off to a successful start and support their own goals of workforce or education participation. If we are not able to maintain current levels of ELS finding the current large waiting list will grow exponentially. Every child on that list is one potentially losing out on life-changing early education, and parents losing out on opportunities to better their family's economic prospects.

We have a member who runs a child care center in Eden Prairie, and is grateful to offer her program to many children who without ELS would otherwise not be able to attend. She also has an adult son who is married with twin infants. Due to income and child care cost limitations, he and his family are functionally homeless, living in her basement. He is with the babies while his wife works, for even with both their incomes quality child care for the twins is out of reach. He wants to rejoin the workforce. They want to move out of that basement and provide their own home for their children. Both infants are on the waiting list for ELS. They are stuck in limbo, literally in his mother's basement - a mother who for a career provides high-quality early care and education to *other* families – with no option unless or until this support comes through.

Early Learning Scholarships are a nationally-known Minnesota innovation. Their targeted nature, flexibility and choice for parents, tie to quality, and positive effects not only on child outcomes but also on parental employment are well documented. Quality child care IS early education, full stop. Quality child care IS economic development, full stop. Allowing funding to drastically decrease this summer would slam the door on so many waiting families trying to find a little stability and hope. In a year when difficult budget decisions will be made, maintaining current funds for ELS should not be one of them.

Sincerely,

Clare Sanford  
MCCA Government Relations Chair  
[csanford@nhacademy.net](mailto:csanford@nhacademy.net)





## MINNESOTA BUDGET PROJECT

An initiative of  
the Minnesota Council  
of Nonprofits

April 1, 2025

Representative Carlie Kotyza-Witthuhn  
Centennial Office Building  
5th Floor  
658 Cedar St.  
St. Paul, MN 55155

Representative Nolan West  
Centennial Office Building  
2nd Floor  
658 Cedar St.  
St. Paul, MN 55155

Dear Co-Chairs Kotyza-Witthuhn and West and Members of the House Children and Families Committee:

**The Minnesota Budget Project supports House File 470, which would help maintain access to affordable child care by providing essential funding for Early Learning Scholarships.** House File 470 would ensure the Early Learning Scholarships program has funding it needs to continue providing a critical service for Minnesota families.

Child care is one of the biggest expenses families with young children face. Affordable child care offers stable and supportive environments that meet children's health and developmental needs. Reliable child care means that working parents are less likely to experience disruptions and absences in the workplace. When parents are better able to participate in the workforce, the families' economic situation is better, and our economy benefits from greater labor force participation.

Early Learning Scholarships are one essential way to bring down the costs of child care for families with young children across the state. Minnesota policymakers recognized this with a one-time funding increase of \$193 million in FY 2024-25. Without action, there will be a decrease in funding, and in turn, child care costs will become even more of a burden for many families.

In FY 2024, Early Learning Scholarships served 16,100 children, but this is not enough to meet the needs of Minnesota families. Think Small estimates that there are another 15,000 eligible children that need funding for Early Learning Scholarships.

House File 470 would take essential steps to maintain access to child care affordability and **protect families' ability to access Early Learning Scholarships by investing \$193 million in FY 2026-27.** Without additional funding, Early Learning Scholarships would likely have to reduce services available to low-income children and families and increase the number of children on the waitlist.

If there is any additional information that would be helpful to you in your deliberations, please contact me at [jbluevano@mnbudgetproject.org](mailto:jbluevano@mnbudgetproject.org) or 651-757-3065

Sincerely,

A handwritten signature in black ink, appearing to read 'Jessie Luévano'.

Jessie Luévano  
Policy Analyst

*The Minnesota Budget Project, an initiative of the Minnesota Council of Nonprofits, identifies and promotes public policies so that economic security is available to all Minnesotans, regardless of who they are or where they live.*

Co-Chairs West and Kotyza-Witthuhn and Members of the House Children and Families Finance and Policy Committee,

My name is Felecia Peterson, and I reside in the 2<sup>nd</sup> Congressional District in Cottage Grove. I am writing in support of HF470 the goal of which will retain funding for Early Learning Scholarship at their current rate of \$200M/year.

I recently spoke with a mom whose son had the Early Learning Scholarship from birth until he went to kindergarten. She expressed how without that scholarship for childcare, she doesn't know how she would have finished high school. The Early Learning Scholarship provided the opportunity for a future for her and her son. Her son is now 9 years old and doing very well in school, and she is a vibrant member of the working community. The success of this family supports how an Early Learning Scholarship provides opportunities for families in our state's most vulnerable populations.

The investment of retaining the current rate of \$200M/year for HF470 is beneficial for the future of our children, our families, our quality early education programs, and our communities across the state of Minnesota!

Respectfully,

Felecia Peterson

I am writing to express my strong support for increased funding for early childhood scholarships in Minnesota.

I oversee the \$330,000 Pathways II Scholarship budget for Osseo Area Schools Early Childhood Department. I need to express it is not nearly enough! With this limited budget we can only serve approximately 40 students on that amount, and we offer nearly 400 part-time Preschool/PreK Classes.

This budget has stayed the same for years with no change or increase, yet our programs are bursting at the seams with families desperate to enroll their child(ren).

The future of our population begins with Early Childhood. Research consistently shows that the most critical years for brain development and learning occur during a child's early years, from birth to age 8. Access to quality early childhood education during these formative years not only helps to prepare children for success in school but also contributes to long-term positive outcomes in health, employment, and overall well-being.

Unfortunately, many families in Minnesota, especially those from low-income backgrounds, are unable to afford such opportunities, which leaves them at a significant disadvantage before they even enter school. I often hear first-hand how families cannot afford our program when parents call or stop in to inquire about our educational programs. There is so much pressure for families to start their children into educational programs starting from birth more now than ever. Many expect it to be free like K-12 and are often shocked they find out they have to pay for early childhood education.

By increasing funding for early childhood scholarships, we can ensure that every child, regardless of their family's income, has access to high-quality early learning experiences.

I urge you to prioritize funding for early childhood scholarships in the upcoming budget. By doing so, you will be making a meaningful difference in the lives of thousands of Minnesota children and their families, setting them on a path toward success and ensuring a brighter future for our state.

I've been in this position for 12 years. As someone deeply invested in the future of our state's children, I believe that access to quality early childhood education is one of the most powerful tools we have to offer children to Preschool programs.

Thank you for your time and consideration of this important issue. I look forward to your support in advancing early childhood education opportunities for all Minnesota children.

Sincerely,

**Jill Bocock**

Co-Chairs West and Kotyza-Witthuhn and Members of the Committee,

My name is Andrew Schultz and I am dad to Amelia and Evelyn and I live in Saint Louis Park, Minnesota. I am a recipient of an Early Learning Scholarship and I support House File 470 and urge members of this committee to vote “Yes” on this bill.

I am a graduate student hoping to become a chaplain, and my wife Elise Schultz is an occupational therapist.

Our girls were placed in foster care with us when they were newborn and this last December Elise and I received the greatest blessing and honor that we could ever have imagined, permanent placement as their legal parents. We first learned about the Early Learning Scholarship from the county worker assigned to our twins’ case. As foster parents you often have to make decisions more quickly than families normally would. The Early Learning Scholarship meant that cost would not be the first and last factor in our daycare decision, freeing us as parents to have a choice in where our children attend daycare. The Early Learning Scholarship meant we would not only be able to find safe and reliable daycare, but that it would be Parent Aware Rated and we could find the best fit for our children’s needs.

Every family is different, but I believe we are all the same in that we want to know that our children are safe and cared for while they learn and grow and we as caregivers provide for them. Whether or not children are foster, adoptive, or living with their family of origin, every child deserves this much.

The earliest years in a person’s life are the most crucial in their development. This is especially true for our daughter Amelia, who has trisomy 21 and is a member of the Down syndrome community. At her present daycare, she is able to be included socially with peers her own age – in the same classroom as her twin sister – while also maintaining a safe environment for her unique physical presentation. Being able to make friends her own age has been a benefit not only for her social life, but also for her physical and cognitive development. Her classmates communicate with her at eye level, sharing toys and books, singing songs, and playing games. At home we have seen the empathy that Amelia has helped to instill in her twin sister Evelyn. We are certain that she is having the same effect on her peers at daycare as well. And this would not be possible without the dedicated care and attention given by our daycare teachers and administrators. Not only do they help encourage and build these relationships, but they have been able to accommodate Amelia’s needs such as tube feeding, physical adaptations, and visits from school district educators. Amelia is excelling in occupational therapy, physical therapy, and speech therapy. The support of her daycare provider has been an exponent factor in these outcomes.

There is nothing we would not do for our children. Without the Early Learning Scholarship, it would have meant greater time away from work, having a significant impact on our ability to earn and save for our family’s needs. It would have caused further delays to my education, increasing the cost and debt accumulation related to schooling. I shudder to think that the absence of this scholarship may have meant settling for convenience, and what that would have meant to their development, especially for Amelia.

The Scholarship supports working families, children and caregivers seeking to provide the same thing – the care our children deserve. This bill strengthens the economy and creates healthier and safer communities. Few things you will consider this legislative session will have as direct and positive of an impact on working people and our communities as this bill.

I urge you to support House File 470 to show your commitment to young children and families in Minnesota.

Thank you,

Andrew Schultz



March 3, 2025


Dear Lawmakers,

I am writing in support of H.F. 470 and S.F. 1049 a bill to maintain the current level of funding in the Early Learning Scholarship program. I urge your support.

Avivo has been a staple in the Minnesota nonprofit community for over 60 years. We provide services such as substance use disorder treatment, employment services, career services, mental health services, and provide housing and support for the unhoused population. I specifically work in the Substance use treatment center as the Service Area Director. Many of our women are able to attend our treatment groups and work on their recovery and receive other supports because of funding like this that helps their children be involved in programs during the day. Even though we have families that are taking advantage of the funding in place, it is not enough. We continue to have families wait for support and grant support so they can attend daycare and work toward gathering the tools they need to start their educational journey. The children that are able to participate in early learning programs learn so many things both educationally and socially, helping them be successful as they reach school age.

While the state faces a difficult budget outlook, the requested investment is small when compared to the help it gives not only the children and families that benefit directly but our communities and economy as well. Again, I urge you all to support H.F. 470 and S.F. 1049 for the well-being of the families in our community.

Thank you for your consideration,

  
Kristen Bewley

## The Impact of Early Learning Scholarships: Corinne's Story

"It literally changed my life," shares Corinne Martin on the impact of an Early Learning Scholarship for her family. These scholarships help families pay for quality early care and education starting at birth and continuing through kindergarten entry. Corinne and her daughter Oaklyn live in St. Louis Park, where Oaklyn attends Rise Early Learning Center and Corinne works as a Recovery Navigator at Metro State University.

### A New Beginning

A Florida transplant with no family in Minnesota, Corinne struggled with addiction and the isolation of an abusive marriage. She maintained her sobriety through pregnancy but relapsed after giving birth to Oaklyn. After Child Protective Services intervened and removed Oaklyn from her care, Corinne knew that she needed support. "It was the worst thing. That was my rock bottom," she shares.

Corinne's CPS case manager introduced her to Wayside Recovery Center, where she began her recovery journey and worked to get Oaklyn back. "They helped me get Oaklyn back and then I was like, *Oh my God, I can do this on my own.*"

Corinne and Oaklyn were living in a shelter while Corinne continued her recovery and navigated the challenges of applying for social service programs for her small family. As a single parent without a car or family nearby, she felt isolated. "It's just so hard. You can't do anything. And I had no friends or family here." Staff at the shelter encouraged her to apply for an Early Learning Scholarship, and she eventually qualified and received funds to help pay for a quality child care program for Oaklyn.

### Benefits of Whole-Family Support

Oaklyn now attends Rise Early Learning Center, which is a Parent Aware rated child care program co-located within an affordable housing complex in St. Louis Park. At Rise, families benefit from wrap-around support and family resource events that focus on topics like toilet training, nutrition, and emotional regulation.

When she talks about the impact of child care on Oaklyn's development, Corinne highlights social-emotional learning and awareness of her feelings. "She's a social butterfly. She loves being around other kids and it's really opened up her vocabulary," she shares. "They're helping her with emotional communication, like recognizing her big emotions and communicating them."

"It's so hard to do this on your own," Corinne shares. "So having access to non-judgmental parenting advice from people that know your daughter is so important."

Corinne recognizes the impact of the Scholarship on her relationship with Oaklyn. "I was able to take care of all the stuff that I needed to take care of. I was able to be more present with Oaklyn and value our time more."





Corinne is working toward her certification as a Licensed Alcohol and Drug Counselor through Minneapolis Community and Technical College. “(The Scholarship) just marked independence for me. The ability to enjoy my time with my daughter and be able to work and go to school.”

When reflecting on how the Early Learning Scholarship impacted her family, Corinne shares, “It opened my world up because I wasn’t able to get a job or start to go back to school. It really did save me and Oaklyn.”

*By Maggie Zepp, Early Childhood Advocacy Coordinator, Think Small*

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[www.ThinkSmall.org](http://www.ThinkSmall.org)



LEADERS IN EARLY LEARNING

**Quality early care and education can prevent later special education need, producing real savings. Early Learning Scholarships are a flexible and innovative way to fund early care. Reducing funding will likely increase special education costs.**

Special education services are highly valuable and beneficial for children, but **for some children, placement in special education can be avoided through quality early care and education (ECE).**

- Children who receive quality early care and education between birth and kindergarten entry are less likely to be placed in special education services<sup>1,2</sup>, and when they do need special education, the number of years they require these services is reduced by about 50%.<sup>2</sup>
- Participation in quality ECE reduces the likelihood of future special education by about 10-30%, depending on funding levels. More investment in ECE = fewer special education placements.<sup>3</sup>
- In Minnesota, the most common disability diagnosis for children placed in special education is “specific learning disability”.<sup>4</sup> In other states, diagnoses of learning disabilities decreased significantly when ECE funding was increased.<sup>3</sup> It is possible Minnesota could see the same effect.
- Quality ECE, especially when starting very early in a child’s life, provides more opportunities for early diagnosis of disabilities and early intervention, which can reduce the necessary time and intensity of future special education services.<sup>5</sup>

**Special education costs are high and expected to rise. Services and transportation are getting more expensive, and more children are needing services.**

- Minnesota will spend almost \$5 Billion in the next budget year on special education.<sup>6</sup>
- The cost per child for one year of special education services in Minnesota varies by diagnosis and ranges from \$8,000 to \$25,000 (FY 2022 values).<sup>7</sup>
- Once placed, children can spend many years in special education services. Reevaluation is required every three years.
- The percentage of Minnesota students needing special education services is steadily rising. Currently, about 18% of Minnesota students (165,000; FY 2024) receive special education services. This number is forecast to reach almost 200,000 children by FY 2029.<sup>8</sup>

**Effects of the Covid-19 pandemic will continue to contribute to increasing special education needs and rising costs.**

- A recent study in the *Journal of American Pediatrics* found that post-pandemic there have been significant negative impacts on the development of kindergarten-age children across the U.S. in language and cognitive development, social competence, communication and general knowledge.<sup>9</sup>

- Young children under age two experienced delayed diagnoses of disabilities during the pandemic, causing delays in early intervention services and will require more school-age special education services.
- Students already in special education were especially impacted by the pandemic and will need longer and more intensive services in the coming years to compensate for pandemic-era interruptions.<sup>10</sup>

**Early Learning Scholarships provide quality early care and education for children from birth to kindergarten entry and will likely reduce the amount of money our K-12 system will spend on future special education costs by reducing both the number of children who need services, and the intensity of services required. Reducing funding for Scholarships is likely to exacerbate already challenging trends in the need for special education.**

By Dr. Nicole Smerillo, Director of Data, Research, and Policy at Think Small

Questions? Contact the Think Small Policy Team at [policy@thinksmall.org](mailto:policy@thinksmall.org).

<sup>1</sup>[The Abecedarian Project: How FPG Demonstrated the Power of High-Quality Early Education | Frank Porter Graham Child Development Institute](#)

<sup>2</sup>Temple, J. A., & Reynolds, A. J. (2015). Using social-impact borrowing to expand preschool-to-third grade programs in urban schools. *Journal of Education for Students Placed at Risk (JESPAR)*, 20(4), 281-292. (PDF) [Using Social-Impact Borrowing to Expand Preschool-to-Third Grade Programs in Urban Schools](#)

<sup>3</sup>[The Savings of Pre-K Education | Duke Today](#)

<sup>4</sup>[Minnesotans with Disabilities: Demographic and Economic Characteristics](#)

<sup>5</sup>[The Preemptive Nature of Quality Early Child Education on Special Educational Needs in Children](#)

<sup>6</sup>[Minnesota special education costs, counts climbing rapidly | MPR News](#)

<sup>7</sup>[FY22 Special Education Statewide Average Legislative Report](#)

<sup>8</sup>[Overview of State Special Education Funding Trends](#)

<sup>9</sup>[jamapediatrics\\_perrigo\\_2025\\_oi\\_240119\\_1740425116.32929.pdf](#)

<sup>10</sup>[Special-Education-Impact-Brief\\_v3.pdf](#)

# Early Learning Scholarships

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LEADERS IN EARLY LEARNING

## Early Learning Scholarships help Minnesota families pay for quality early care and education.

Quality early learning experiences are a great use of public dollars. Children who receive quality early care and education (ECE) not only are more likely to be ready for kindergarten,<sup>1</sup> but they are also less likely to need special education services<sup>2,5</sup> and more likely to graduate high school.<sup>3,4</sup> They are also more likely to attend post-high school training or college,<sup>6</sup> work in higher skilled jobs,<sup>6</sup> earn more income,<sup>4</sup> and have better health outcomes.<sup>7</sup> There are short- and long-term benefits for both children and society when we make investments into quality ECE.

## Why are Early Learning Scholarships a great way to fund quality ECE?

- **Starts Early.** Children can start receiving quality ECE at birth. Starting earlier is better for children!<sup>13,8</sup>
- **Flexibility.** Parents can use scholarships at any Parent Aware participating program. Options for families include:
  - » Licensed Child Care Center
  - » Licensed Family Child Care
  - » School-Based Programs
  - » Head Start/Early Head Start
  - » Tribal Programs

## Who can get an Early Learning Scholarship?

Children from birth to kindergarten entry in families earning lower incomes can get a scholarship. Children in recognized priority groups are awarded scholarships first. Some priority groups are:

- Children with a parent in a substance use or mental health treatment program.
- Children in foster care.
- Children who have experienced homelessness in the last 24 months.

4,600

Children who qualify for scholarships are on the waitlist.\*

\*Statewide waitlist as of December 31, 2024, Pathway I only. Information provided by the MN Dept. of Children, Youth, and Families.

### Fast Facts\*

94%

of scholarship recipients attend a high-quality program!  
(Parent Aware 4 star)

47%

of recipients are in Greater MN

53%

are in the seven-county Metro

15,000

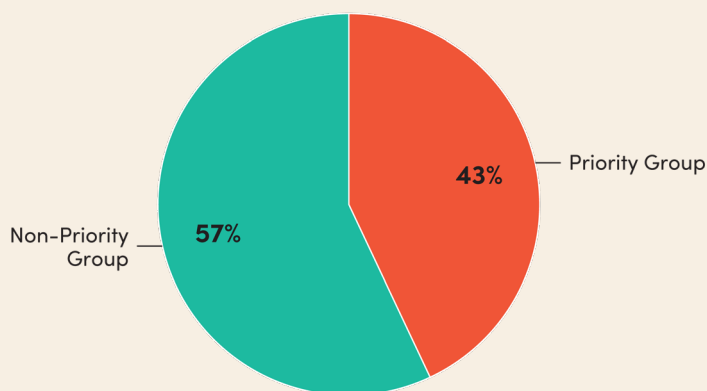
eligible Minnesota children need funding for Early Learning Scholarships+

\*Preliminary FY2024 data provided by the MN Dept. of Children, Youth, and Families; includes recipients of both Pathway I and Pathway II Early Learning Scholarships.

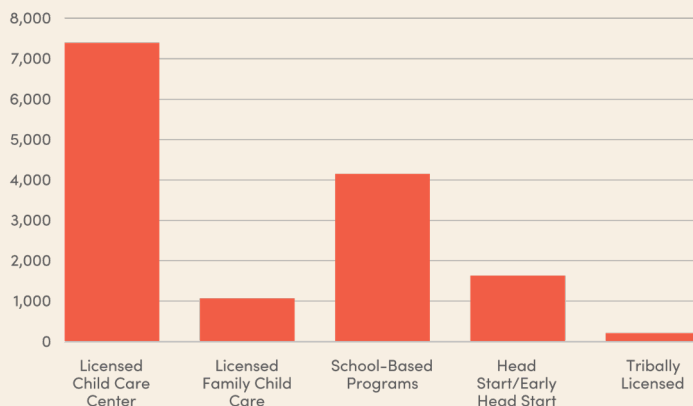
+ Think Small calculation based on census data and information on existing public investments.

# Early Learning Scholarships are helping Minnesota children get quality ECE!

Priority Group Status for Early Learning Scholarship Recipients

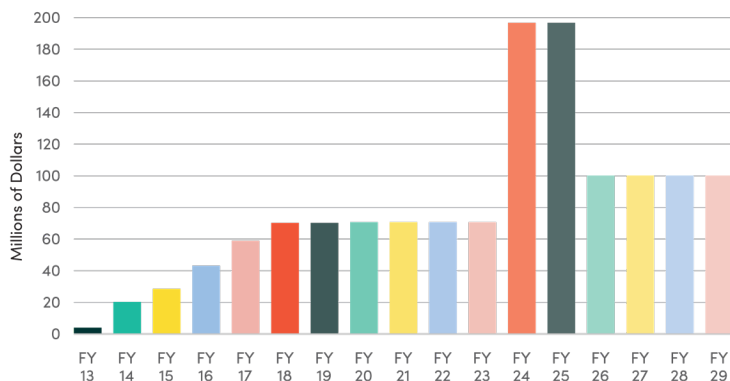


Type of Program Chosen by Family

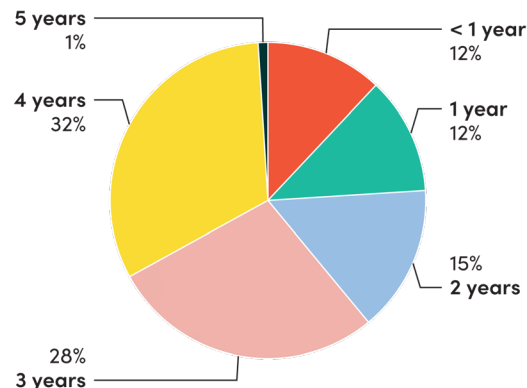


**Note:** Preliminary FY2024 data provided by the MN Dept. of Children, Youth, and Families. Data includes recipients of both Pathway I and Pathway II Early Learning Scholarships.

Early Learning Scholarships Funding by Fiscal Year



Early Learning Scholarship Recipients by Age



**Note:** Preliminary FY2024 data provided by the MN Dept. of Children, Youth, and Families. Data includes recipients of both Pathway I and Pathway II Early Learning Scholarships.

## Too many Minnesota families are waiting.

In the midst of Minnesota's severe child care crisis, **we must ensure that all eligible children receive Early Learning Scholarships.** This will help more struggling families afford child care, enable more parents to remain at work to ease Minnesota's severe labor shortage, allow more financially fragile child care providers to keep their doors open to families, and ensure that vulnerable young children get the quality early learning they need to succeed in school, work, and life.

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## Parents Share the Impact of Early Learning Scholarships

### Hear from Scholarship recipients about the impact of this funding

"This scholarship has been a blessing because as a working mom raising kids and providing for kids, knowing I don't have to large payment towards daycare is a relief. I'm very grateful for this scholarship that I never thought I would qualify for." -**Olivia S., Plymouth**

"In March 2024 I wanted my 3 yr old to start preschool. It's the same school where I work as an assistant teacher. But I had no income or savings to pay for my child's school fees. My boss advised me to apply for a scholarship. At first, I wasn't convinced would be eligible but gave a try anyway. The process went smoothly and was eligible for a scholarship for a whole school year. Now my child attends the same school I work at and it's very convenient for me to drop her at school every day. I don't know what I would have done without getting approved for the scholarship. It has greatly helped me and my child." -**Vivian P., Brooklyn Park**

"Thanks to the scholarship, Frances was able to attend daycare, which provided her with a nurturing environment that greatly contributed to her growth and development. I am pleased to share that she has now moved on to full-time school, and while she is no longer on the scholarship, the foundation laid during her daycare experience will benefit her for years to come." -**Prince M., Brooklyn Park**

**Without continued funding at the current rate, children will lose access to quality early care and education programs, and parents will continue to sacrifice their careers, schooling, and financial well-being.**

"My daughter has the scholarship since 7/1/2024 and that really helped me to go to school and learn about the major that I used to dream about. But my son who is eight months old is still on the waiting list and I really need the scholarship as it's very difficult for me to pay the daycare fees." -**Nimo A.**

"As a mother of a 4-year-old, an Early Learning Scholarship would greatly benefit my child and our family. It would provide access to quality early education, helping with school readiness while easing our financial burden. This support would ensure my child thrives in a nurturing learning environment." -**Ayan M., Minneapolis**

"I'm currently on the wait list for the scholarship. It would be a great help as I am unable to afford childcare on and thinking about leaving work due to not being able to afford childcare." -**Ayan**



Dear Lawmakers,

On behalf of Families First of MN, I am writing in support of H.F. 470 and S.F. 1049, a bill to maintain the current level of funding in the Early Learning Scholarship program.

As an organization dedicated to ensuring that children and families have access to high-quality child care and early education, we have seen firsthand the life-changing impact the Early Learning Scholarship has with families. Families First of MN is proud to serve as an Area Administrator of the Early Learning Scholarship for 28 counties across Minnesota. For those lucky enough to receive one, these scholarships contribute to financial stability for families and ensure that children are receiving consistent and high-quality care, setting them on the path for future academic success.

Unfortunately, as our current and ever-growing waitlist can attest, there are many families still waiting for this support. Without access to affordable and reliable child care, caregivers may struggle with inconsistent work schedules, frequent absences, and even job loss. Additionally, the high cost of child care can also consume a significant portion of a family's income, making it difficult to afford other necessities like food, rent, and healthcare. Ultimately, the lack of affordable child care not only impacts individual families, but the community as a whole by reducing workforce participation and productivity.

When families have access to consistent, high-quality early education, the benefits are profound. Not only are children set on a path for future academic success, but opportunities are opened to caregivers to pursue employment, further education, and access other professional opportunities. These scholarships help break cycles of poverty, promote financial stability, and help families thrive.

We recognize that the state faces a challenging budget outlook, but the investment in Early Learning Scholarships is small when compared to the immense benefits they provide. By prioritizing this funding, the state not only supports the children and families who directly benefit but also strengthens our communities, reduces educational disparities, and reinforces our workforce and economy. It is a small, cost-effective strategy that has a great, far-reaching impact.

We urge you to continue championing early childhood education and to support the necessary funding to expand access to scholarships. Our families, communities, and the economy depend on it.

Thank you for your time and consideration. We appreciate your commitment to Minnesota's children and families, and your support of H.F. 470 and S.F. 1049.

Sincerely,

Sara Stebbins  
Director of Early Childhood Supports  
Families First of MN



March 6<sup>th</sup>, 2025

RE: Support of HF470 and SF1049 on Early Learning Scholarships

Dear Chair and Committee Members,

At People Serving People, we work with families experiencing homelessness throughout Hennepin County. Our shelters provide supportive services for families and we operate two 4-star parent aware rated early child development centers- one on-site and the other in the community, our Center of Excellence. In our classrooms, early childhood educators utilize a trauma informed approach that focuses on social, emotional development, and executive function skills to prepare kids and families for kindergarten and beyond.

**HF470/SF 1049 supports both access to high-quality early learning for families and the educators who make that possible and is an investment worth making.**

Early childhood education is central to our work on preventing intergenerational family homelessness. It's an investment in the whole family, and particularly the youngest members of families. This is also about achieving more equitable outcomes for Black and Indigenous children that disproportionately experience homelessness. As the Minnesota Department of Children, Youth and Families has shared, 66% of scholarship recipients identify as BIPOC and 43% of scholarships are awarded to those in a priority category: families experiencing homelessness, child protection, foster care involved, minor parent families, among others.

While People Serving People have been able to increase access to high-quality, parent directed early childhood education for families with the highest need, there are still thousands of families across Minnesota that need access to early childhood development.

**Right now, an estimated 8,500 children are eligible for scholarships yet unable to get one due to lack of funding. This bill would stop that number from ballooning to 15,000 by avoiding a funding cut in FY 2026 and beyond.**

Additional funding for early learning scholarships is the way to get upstream to prevent families from entering shelters, or returning to our shelter multiple times in their lives.

Thank you,

Hoang Murphy

CEO





People **Serving** People

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