

HOUSE RESEARCH

Bill Summary

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Overview

This bill substantially increases funding for early learning opportunities. The bill fully funds the child care assistance programs (CCAP), adds \$250 million per year to the early learning scholarship program assuring that \$100 million of that amount will be targeted to the youngest children, increases the funding for the home visiting program, and provides a new appropriation for the office of early learning to disseminate information on early brain development and to encourage voluntary participation by providers in the state's quality rating and improvement system.

Sections 1 to 11, 13, 15, 16 and 19 allow all eligible families who apply for child care assistance receive it. MFIP child care is a forecasted, fully funded program, while Basic Sliding Fee (BSF) child care receives a capped allocation. As of January 31, 2014, there were 8,319 families on the waiting list for BSF child care assistance.

Section

- 1 Student parent.** Removes a reference to the Basic Sliding Fee (BSF) waiting list, which is repealed in section 19.
- 2 Child care services.** Removes language limiting the Child Care Assistance Program (CCAP) to available appropriations.
- 3 Contractual agreements with tribes.** Removes a reference to county allocations, which is repealed in section 19.

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- 4** **Portability pool.** Modifies the BSF portability pool to conform to basic sliding fee becoming a forecasted program.
- 5** **Establishment.** Removes language limiting the at-home infant child care program to available appropriations.
- 6** **Assistance.** Makes conforming changes.
- 7** **Eligible participants.** Removes a reference to transition year extension, which is repealed in section 19.
- 8** **Federal reimbursement.** Requires the state, in addition to counties, to maximize federal reimbursements for child care assistance programs.
- 9** **Child care fund plan.** Removes references to county allocations, which are repealed in section, and makes conforming changes.
- 10** **Temporary ineligibility of military personnel.** Removes references to the BSF waiting list, which is repealed in section 19.
- 11** **Relationship to current law.** Removes a reference to county allocations, which are repealed in section 19.
- 12** **Early learning scholarships.**
- Subd. 1. Definitions.** Defines “director,” “eligible program,” “Income,” and “Parent.”
- Subd. 2. Family eligibility.** Broadens the early learning scholarship program to include all qualifying children under the age of five. Clarifies that a program may document family income and automatically qualifies for eligibility any family that is qualifying for other named public assistance programs.
- Subd. 2a. Prioritization of scholarship awards.** Changes administration of the early learning scholarship program from the commissioner of education to the Office of Early Learning. Includes a detailed list of the factors the director of the Office of Early Learning must use to prioritize scholarship applications. Grants the director authority to set the maximum scholarship rate consistent with the market rate of early learning services in the community (current law limits each scholarship to no more than \$5,000 per year).
- Subd. 3. Administration.** Changes administration of the early learning scholarship program from the commissioner of education to the Office of Early Learning. Restores a statutory schedule to process the applications for scholarships.
- 13** **Timing and disposition of penalty and case disallowance funds.** Removes a reference to county allocations, which are repealed in section 19.
- 14** **Appropriation; early learning scholarships.** Increases the early learning scholarship

Section

annual appropriation for fiscal years 2015 and later by \$250 million. Requires the director of the Office of Early Learning to allocate \$100 million per year to scholarships for children under the age of four.

- 15 Direction to commissioner of management and budget.** Requires the state obligation for the BSF child care assistance program to be included in the February and November forecast of state revenues and expenditures beginning with the November 2014 forecast.
- 16 Appropriation; basic sliding fee child care assistance program.** Adds \$80 million to the fiscal year 2015 appropriation for the basic sliding fee CCAP program.
- 17 Appropriation; home visiting program for highest risk families.** Appropriates an unspecified amount to the commissioner of health for expansion of the home visiting program for high risk families.
- 18 Appropriation; Office of Early Learning.** Appropriates an unspecified amount to the Office of Early Learning to disseminate information on early brain development and to encourage voluntary participation by early learning providers in the state's quality rating and improvement system.
- 19 Repealer.** Repeals Minnesota Statutes 2012, sections 119B.011, subd. 20a (transition year extension families); 119B.03, subds. 1 (notice of allocation), 2 (waiting list), 5 (review of use of funds; reallocation), 6 (allocation formula), 6a (allocation due to increased funding), 6b (allocation due to decreased funding), and 8 (guaranteed floor); and 119B.09, subd. 3 (priorities; allocations).

Paragraph (b) repeals Minnesota Statutes 2013 Supplement, section 119B.03, subd. 4 (funding priority).

Paragraph (c) repeals Minnesota Rules, parts 3400.0020, subp. 8 (allocation); 3400.0030 (notice of basic sliding fee program allocation); and 3400.0060, subps. 2 (basic sliding fee allocation), 4 (reallocation of unexpended or unencumbered funds), 6 (basic sliding fee program waiting lists), 6a (transfer of families from waiting list to basic sliding fee program), and 7 (waiting list; transfer of transition year families to the basic sliding fee program).