

File Number: H.F. 1997
Version: As introduced

Date: March 13, 2017

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Subject: Early learning scholarships

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Overview

Minnesota children may qualify for an early learning scholarship. A child who is three or four years old on September 1 of the current year and not yet enrolled in kindergarten is eligible for an early learning scholarship if the child's family income is equal to or less than 185 percent of the federal poverty level income for that year. Any younger siblings of a child who qualifies for a scholarship are also eligible for a scholarship, as are young children of any parent who is 21 or younger if the parent is finishing high school or pursuing a GED. The maximum scholarship amount is currently \$7,500 per child, and the number of scholarships is limited by the program's overall appropriation.

The Minnesota Department of Education (MDE) has developed two pathways for scholarships. Pathway I scholarships are awarded directly to eligible families and must be used only to attend a three- or four-star rated program. Pathway II scholarships are awarded to qualifying four-star rated programs (school district early education programs, Head Start centers, and private programs such as child care centers and licensed family child care locations) on behalf of qualifying children. Currently, about half of the scholarship money is awarded directly to parents through the Pathway I option and the other half is awarded indirectly through the Pathway II option.

The annual base appropriation for this program is \$59.9 million. An early learning scholarship may be used in combination with other publicly funded programs (e.g., child care assistance payments, school readiness programs, voluntary prekindergarten programs, etc.).

Section

H.F. 1997 expands eligibility to include all income-eligible children under the age of five and creates a priority list for qualifying children who: (1) have a parent under the age of 21 who is pursuing a high school degree or GED; (2) are in foster care or otherwise in need of protection or services; or (3) are homeless or have experienced homelessness in the last two years. This bill appropriates an unspecified amount of money for home visiting services and for the early learning scholarships.

- 1 **Establishment; purpose.** Broadens the early learning scholarship program purpose statement by stating that the program is established to close the opportunity gap by increasing access to high-quality early childhood programs.
- 2 **Family eligibility.** Expands the qualifying age of eligible children to include all children under the age of five whose families are income eligible.
- 3 **Administration.** Creates a priority list for applicants, first qualifying children who: (1) have a parent under the age of 21 who is pursuing a high school degree or GED; (2) are in foster care or otherwise in need of protection or services; or (3) are homeless or have experienced homelessness programs in the last two years.
- 4 **Appropriation; targeted home visiting for high-risk populations.** Appropriates an unspecified amount from the general fund to the commissioner of health for community-led targeted home visiting services.
- 5 **Appropriations; early learning scholarships.** Appropriates an unspecified amount of money for early learning scholarships. Sets aside \$950,000 each year for program administration. Sets aside and transfers to the Department of Human Services five percent of each year's appropriation for the parent aware star rating system, (referred to in statute as the quality rating and improvement system), but reduces this amount by any federal funds received for this purpose.