



## LEGISLATIVE UPDATE | February 26, 2019

Welcome to the Child Care Aware Legislative Update. This narrative update, along with our Bill Tracker, will be posted each Tuesday (reflecting activity through the previous Friday) on the [Child Care Aware of Minnesota Website](#).

Each week, we will provide a brief overview of bills that have been introduced, action that has been taken at the committee level or on the floor, and any other pertinent news related to early care and education and school-age care issues.

If you have additions to recommend to the Bill Tracker, please contact [Ann McCully](#).

### OVERVIEW

The most significant development last week was the Governor's release of his proposed budget, which is outlined below. Committees have begun to review these recommendations, and this will continue in the upcoming week. We anticipate bills related to these proposals to be introduced soon!

### GOVERNOR'S BUDGET RELEASE

The list below reflects "change items" included in the Governor's budget, meaning a proposal for an increase (or decrease) in funds for 2020 and 2021, beyond what is already included in the "base" funding for these programs. If you are interested in learning more about these proposals, you can find [the complete budget proposals](#) on the Minnesota Management and Budget website.

#### DEPARTMENT OF HUMAN SERVICES BUDGET

- **Child Care Assistance Program (CCAP) Federal Compliance (\$8.18 million)** includes 12-month eligibility, priority on homeless families, ensures out-of-state providers meet health and safety requirements, expands due process for providers.
- **CCAP Maximum Rates Updated (\$9.4 million)** Maximum rates would be set at the greater of 25<sup>th</sup> percentile of the most recent market rate survey or the rates in effect at the time of the update. The proposal also increases registration fees paid to providers and moves the market rate survey to every three years. The proposal includes the use of \$59.8 million in CCDBG funds to offset the costs in 2020-2021.
- **CCAP Basic Sliding Fee (BSF) Waiting List (\$26.4 million)** represents a 5.9% increase to the current budget. These funds would allow an additional 1,000 families to be served through the BSF program. This includes \$2.6 million in underspending from the calendar year 2018 BSF program.

- **CCAP Program Integrity (Savings of \$1.9 million)** includes enhanced attendance recordkeeping requirements and system changes to track attendance recordkeeping.
- **Fraud Prevention Investigations Expansion (\$1 million)** provides counties with additional resources to investigate recipient fraud in human services programs.
- **Background Study Federal Compliance (\$281,000)** allows for the search of up to three additional databases for child care background studies.
- **Child Care Compliance and Fees for Certified License-Exempt Centers (Savings of \$131,000)** includes an administrative fee to support regulatory activities for certified centers.
- **Head Start Background Studies (Net \$0)** gives statutory authority to DHS to add Head Start programs that are license-exempt and not receiving CCAP funds and Tribal Head Start programs to the list of programs that can use DHS's background study system, bringing them into compliance with federal requirements. *(Also in MDE budget)*

#### DEPARTMENT OF EDUCATION BUDGET

- **General Education Formula Increase of 3 percent for FY 2020 and 2 percent for FY 2021 (\$522.6 million)** This increase will impact other school funding formulas including ECFE.
- **Voluntary Prekindergarten (VPK): Maintain Existing Slots (\$58.5 million)** restores the number of VPK/School Readiness Plus participants from 3,160 to 7,160 for FY 2020 and beyond. Language includes an emphasis on mixed delivery, enhanced data collection and analysis, and better technical assistance.
- **Full Service Community Schools Grant Program (\$4 million)** reestablishes the grant program that expired in FY 2018 in order to broaden access to full-service community school supports in low-income or rural communities.
- **Recruit and Retain Quality Teachers (\$8 million)** funds an increase in student teacher grants, expanded concurrent enrollment grants to provide "introduction to teaching," and funds to create induction and retention incentive program grants for teachers of color and American Indian teachers.
- **Early Learning Scholarship Special Revenue Fund (Net \$0)** would ensure that unspent funds in the Early Learning Scholarship program are transferred to an account in the special revenue fund so that more scholarships may be awarded.

#### DEPARTMENT OF HEALTH BUDGET

- **Community Solutions Fund for Healthy Child Development Grant (\$2 million in 2020 only)** available to be spent over the next 4 years to support and promote health and racial equity.

#### DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT BUDGET

- **Family and Medical Leave Insurance Placeholder (\$68 million)** This proposal is a placeholder, intended to fund the development of an IT system for collecting premiums and paying benefits, staffing and administrative resources at DEED and other state agencies, and an actuarial study to support program development.
- **Child Care Economic Development Grants Program (\$1 million)** would provide grants to communities to increase the supply of quality child care in order to reduce regional child care shortages by supporting increased workforce participation, business expansion and retention, and new business development.

#### OFFICE OF HIGHER EDUCATION BUDGET

- **Minnesota State Grants (\$54 million)** includes a provision to begin administering child care grants as a supplement to the state grant (pilot program) using funds from the Postsecondary Child Care Grant Program.

- **The Statewide Longitudinal Education Data System (SLEDS)/Early Childhood Longitudinal Data System (ECLDS) (\$2 million)** would full integrate the ECLDS system into SLEDS, create efficiency within IT and administrative processes, and maximize outreach training and technical assistance.
- **Recruit and Retain Quality Teachers (\$8 million)** funds increase in student teacher grants, expanded concurrent enrollment grants to provide “introduction to teaching” and funds to create induction and retention incentive program grants for teachers of color and American Indian teachers. *(Also in MDE budget)*

## TAX BUDGET

- **Working Family Tax Credit (\$81.4 million)** This would increase the working family tax credit by \$100 for each single or head of household recipient, and \$200 for each married filing jointly recipient.

## COMMITTEE ACTIVITY

**The House Early Childhood Finance and Policy Division acted on the following bills (both were laid over for possible inclusion in the omnibus bill):**

- [HF 1238](#) (Pryor) CCAP provisions modified.
- [HF 1226](#) (Bahner) Programs and funding for home visits governed, and money appropriated.

**The House Education Policy Division acted on the following bill:**

- [HF681](#) (Tabke) Pregnant and parenting pupils’ transportation to qualified programs provided, reimbursement allowed, and money appropriated. *Bill was heard and referred to Ways and Means.*

**The House Commerce Committee acted on the following bill:**

- [HF 5](#) (Halvorson) Paid family, pregnancy, bonding and applicant's serious medical condition benefits provided; employment leaves regulated and required; data classified; rulemaking authorized; and money appropriated. *Bill was heard and referred to Government Operations.*

**The Senate E-12 Policy and Finance Division acted on the following bills (all were laid over for possible inclusion in the omnibus bill):**

- [SF 292](#) (Latz) Community education revenue program funding increase.
- [SF 1138](#) (Nelson) Community education advisory council responsibilities and general community education. revenue allowable uses calculation modifications; appropriation.
- [SF 871](#) (Dziedzic) Community service fund transfers authorization.

**The Senate Family Care and Aging Division acted on the following bills (all were laid over for possible inclusion in the omnibus bill):**

- [SF 1030](#) (Kiffmeyer) Day care facilities licensing statutes recodification requirement.
- [SF 1097](#) (Mathews) Family child care homes and group family child care minimum water temperature requirements clarification.
- [SF 882](#) (Koran) Human services child care background studies and training exemption authorization.
- [SF 1034](#) (Relph) Child care substitute length of time to provide care modification.
- [SF 1035](#) (Relph) Child care licensing and background study record requirements streamline authorization.

## BILL INTRODUCTIONS

For more information about each bill, please download our weekly Bill Tracker. This list includes topics, numbers, authors, and general committee referrals for bills introduced through **February 22, 2019** (New bills are highlighted in yellow).

### Early Education/Child Care Program Development

- Additional funding and opportunities for children aged birth to three created; programs and funding for prenatal care services, home visiting, early childhood education, and child care assistance (**HF 1-Kotyza-Witthuhn/SF 820-Wiklund**) and (**HF 30-Moran/SF 671-Wiklund**)
- Child care in rural Minnesota funding provided and money appropriated (**HF 422-Brand/SF 537-Nelson**)
- Greater Minnesota child care facility capital grant program bond issue and appropriation (**HF 423-Brand/SF 538-Relph**)
- Community solutions funds for healthy child development grant program established and money appropriated (**HF 459-Hassan**)
- Child care businesses in low-income urban areas run by two women pilot program funding provided, reports required, and money appropriated (**HF 825-Kotyza-Witthuhn/SF 1052-Wiklund**)
- Child care business training funding provided, reports required, and money appropriated (**HF 908-Kotyza-Witthuhn/SF 1051-Wiklund**)
- Head Start program governing requirements amended, and technical and clarifying changes made (**HF 1220-Koegel**)
- Programs and funding for home visits; appropriating money (**HF 1226-Bahner/SF 1438-Relph**)
- Modifying eligibility for early learning scholarships; expanding voluntary prekindergarten programs to five groups (**HF 1230-Pinto**)
- Childhood trauma-informed policy and practices task force established, and reports required (**HF 1258-Moran**)
- Community solutions for healthy child development grant program established, and money appropriated (**HF 1381-Kunesh-Podein**)
- Minneapolis YWCA job and career assistance appropriation (**HF 1594-Richardson/SF 867-Hayden**)
- Minnesota Initiative Foundations grant for rural sustainable child care appropriation (**SF 137-Nelson**)

### Child Care Regulations

- Temporary immediate license suspensions modified, eligibility verification required, theft offenses penalties established, and report required (**HF 446-Franson**)
- Legal non-licensed child care provider definition modified (**HF 481-Swedzinski**)
- Child care training requirements streamlining by commissioner of human services requirement (**HF 711-Zerwas/SF 789-Goggin**)
- Child care licensing requirements modified (**HF 740-Quam**)
- Children's and parent's mental health provisions modified (**HF 742-Morrison/SF 1437-Mathews**)
- Child age range increased for school-age care programs, funding for school-age care programs increased, and money appropriated (**HF 768-Edelson/SF 920-Cwodzinski**)
- Day care initial licensure requirement modified; commissioner of human services directed to implement child care provider communication process, develop plain-language handbook and a uniform family day care provider application; child care tax credits modified; report required; and money appropriated (**HF 770-Franson**)
- Family and group family child care initial licensure modification; plain-language handbook, uniform family child care provider application, and child care provider communication process development requirement (**SF 2-Housley**)
- Initial family and group family child care licensure requirement modification (**SF 155-Housley**)
- Child care fix-it ticket violation expansion (**SF 669-Abeler**)

- Human services child care background studies and training exemption authorization **(SF 882-Koran)**
- Child care provider licensing requirement interpretation dispute department of human services clarification consultation requirement **(SF 886-Weber)**
- Child care helper and emergency substitute caregiver training requirements exemptions **(SF 887-Weber)**
- Family child care centers child injury and illness health plan coverage requirement **(SF 977-Kiffmeyer)**
- Human services licensing provisions modifications **(SF 978-Kiffmeyer)**
- Child care training timelines extension and clarification **(SF 979-Kiffmeyer)**
- Child care training requirements clarification **(SF 980-Kiffmeyer)**
- Day care providers insurance policies provisions modifications **(SF 981-Kiffmeyer)**
- Family child care emergency preparedness plan requirements modifications **(SF 982-Kiffmeyer)**
- Day care facilities licensing statutes recodification requirement **(SF 1030-Kiffmeyer)**
- Child care substitute length of time to provide care modification **(SF 1034-Relph)**
- Child care licensing and background study record requirements streamline authorization **(SF 1035-Relph)**
- Crime of falsely reporting child abuse against a licensed day care center crime establishment **(SF 1064-Johnson)**
- Family child care homes and group family child care minimum water temperature requirements clarification **(SF 1097 Mathews)**

#### Child Care Assistance

- Public assistance and child care programs counted income for eligibility determinations clarification **(HF 380-Scott/SF 44-Benson)**
- Child care assistance program maximum reimbursement rates modified and money appropriated **(HF 496-Hassan)**
- Child care providers prohibited from receiving child care assistance program reimbursements for dependents of employees **(HF 497-Franson)**
- Child care assistance program disqualifications due to wrongfully obtaining assistance modified **(HF 498-Franson)**
- Low-income workers increased child care assistance and child care assistance reimbursement rates; basic sliding fee child care assistance program forecasting **(SF 625-Marty)**
- Criminal penalties for failing to cooperate in child care assistance program fraud investigations established **(HF 791-Franson)**
- Child Care Assistance Program rates modified **(HF 1227-Kotyza-Witthuhn)**
- Forecasting the Basic Sliding Fee Child Care Assistance Program **(HF 1128-Wazlawik)**
- Child care assistance for homeless people **(HF 1238-Pryor/SF 1111-Weber)**
- Child care funding priorities basic sliding fee and allocation formula modified **(HF 1536-Wazlawik)**
- Child care centers required to provide proof of surety bond coverage **(HF 1541-Wazlawik)**
- Child care assistance provider payments modified **(HF 1548-Albright)**
- Child care authorizations for parenting time clarification; child care reimbursements for parenting time clarification; child care reporting requirements clarification; parenting time presumptions modification; parenting time schedules findings requirement **(SF 1295-Housley)**

#### Pre-K – 12 Programs

- Funding for school-linked mental health service grants increased, funding for full-service community schools provided, funding for support our students grants extended, the Homework Starts with Home program funded, the Collaborative Urban Educator program funding increased **(HF 2-Edelson/SF 1059-Kent)** and **(HF 26-Kunesh-Podein/SF 369-Cwodzinski)**
- Education programs; legislative grants awarded to organizations for education programs evidence-based grant standard established, and report required **(HF 125-Bennett)**
- School districts authorized to transfer community education reserve funds **(HF 337-Davnie/SF 871-Dziedzic)**
- Kindergarten readiness assessment requirement **(HF 757-Her/SF 33-Wiger)**



- Early learning scholarship age eligibility amended (**HF 760-Urdahl/SF 1619-Eken**)
- Independent School District No. 458, Truman: authorized to transfer money from the early childhood and family education and school readiness reserve to the general fund (**HF 784-Gunther/SF 1055-Rosen**)
- Minnesota reads task force creation and appropriation (**HF 835-Christensen/SF 81-Wiger**)
- Early childhood screening funding provided, and money appropriated (**HF 837-Sandstede/SF 1435 Cwodziński**)
- After-school community learning program funding provided, report required, and money appropriated (**HF 907-Lee/SF 1428-Eichorn**)
- Full-service community schools grants appropriation (**HF 1013-Murphy/SF 37-Wiger**)
- Education partnership program modification and appropriation (**HF 1056-Moran/SF 939-Nelson**)
- Early learning scholarships eligibility modified (**HF 1110-Zerwas/SF 1367-Housley**)
- Licensure requirement provisions technical changes made (**HF 1116 Mariani**)
- Early education teacher licensure requirements established (**HF 1512-Sandell/SF 1482-Kent**)
- Early education provisions modified, five regions for the voluntary prekindergarten program established, and school readiness plus program made permanent (**HF 1590-Bernardy**)
- Mental health grants establishment and appropriations (**SF 1-Rosen**)
- School-linked mental health services grants modification and appropriation (**SF 89-Nelson**)
- Cultural competency training for teacher licensure definition (**SF 289-Clausen**)
- Community education revenue program funding increase (**SF 292-Latz**)
- Education partnership program modification and appropriation (**SF 939-Nelson**)
- Prekindergarten program funded participants for fiscal year 2020 and later increase and appropriation (**SF 1057-Kent**)
- Community education advisory council responsibilities and general community education revenue allowable uses calculation modifications; appropriation (**SF 1138-Nelson**)
- Voluntary prekindergarten participants service through mixed-delivery services requirement (**SF 1238-Nelson**)
- Early learning scholarships child and program eligibility and commissioner designation authority modifications; early childhood screening requirements for children with an early learning scholarship clarification; appropriation (**SF 1306-Nelson**)

### Family Support

- Paid family, pregnancy, bonding, and applicant's serious medical condition benefits (**HF 5-Halvorson/SF 1060-Kent**)
- Statewide parent-to-parent programs for families of children and youth with special health care needs funding provided and money appropriated (**HF 190-Zerwas/SF 215-Hoffman**)
- Paid family, pregnancy, bonding, and serious medical condition benefits provided, employment leaves regulated and required, data classified, rulemaking authorized, and money appropriated (**HF 256-Koegel**)
- Minnesota Family Investment program (MFIP) and General Assistance (GA) cash grants increase and appropriation (**HF 309-Kunesh-Podein/SF 167-Laine**)
- Pregnant and parenting pupils transportation to certain qualifying educational programs requirement and appropriation (**HF 681-Tabke/SF 340-Draheim**)
- Prenatal care service programs and funding governed, and money appropriated (**HF 909-Morrison/SF 855-Abeler**)
- Child care support notification requirement modified (**HF 1266-Scott/SF 1352-Relph**)
- Parenting with disability support services pilot project established (**HF 1281-Fischer/SF 1555-Marty**)
- Parenting time for child care modified, technical changes made, and redundant language removed (**HF 1309-Scott**)
- Parent-child home program funding provided, and money appropriated (**HF 1582-Yoakim**)
- Parental leave costs individual income and corporate franchise employer tax credits (**SF 90-Nelson**)

- Minimum wage phased-in increase; federal social security tax loophole closure; child care assistance expansion; Minnesota Family Investment program (MFIP) cash grant increase; working family tax credit program increase; basic sliding fee child care assistance program forecasting **(SF 622-Marty)**
- Parental leave work group establishment and appropriation **(SF 1134- Housley)**

### Higher Education

- Teacher candidates of color financial aid provided and money appropriated **(HF 434-Noor)**
- Student loan debt counseling grant program and appropriation **(HF 550-Pryor/SF 306-Draheim)**
- Increase Teachers of Color Act funding provided, seeking to double American Indian teacher and teachers of color, reports required, and money appropriated **(HF 824-Kunesh-Podein/SF 1012-Torres Ray)**
- Higher education institutions eligibility for the state grant program modification **(SF 378-Bingham)**

### Other/Oversight

- Human services background studies disqualification of individuals with expunged criminal records prohibited **(HF 290-Noor/SF 405-Champion)**
- Child care facilities property tax exemption provided **(HF 441-Gruenhagen/SF 702-Newman)**
- Office of Inspector General created **(HF 445-Franson)**
- Background checks required on all first-time teaching applicants and mandatory reporting expanded **(HF 532-Erickson)**
- Refundable tax credit for certain qualified child care expenses, professionals, and providers established **(HF 1034/SF 1110-Anderson, P.)**
- Tribal organizations and Head Start programs background studies governed **(HF 1384-Her/SF 1436-Relph)**
- Background study provisions for minors modified **(HF 1395-Layman/SF 1451-Eichorn)**
- Working family tax credit modified **(HF 1465-Wazliwuk/SF 623-Marty)**
- Human services provider enrollment medical assistance (MA) modification; counted income clarification; surety bond requirements; programs documentation, and commissioner of human services authority modifications; visit verification system; universal identification number; fraud prevention investigations appropriation **(SF 4-Abeler)**
- Human services block grant program establishment **(SF 794-Abeler)**
- Early care and education department establishment **(SF 945-Torres Ray)**
- Ombudsperson for child care providers creation and appropriation **(SF 1452-Howe)**
- Background study set aside criteria modified **(HF 1543-Dehn)**

## COMMITTEE DEADLINES

- **March 15:** Committees must act favorably on bills in the house of origin
- **March 29:** Committees must act favorably on bills, or companion bills, that met the first deadline in the other house
- **April 12:** Committees must act favorably on major appropriation and finance bills

## UPCOMING EVENTS

- **April 13-22:** Easter-Passover break for the Minnesota Legislature
- **May 20:** Deadline to end the 2019 legislative session