



## LEGISLATIVE UPDATE | March 28, 2017

We'll post the [Legislative Update and Bill Tracker](#) on the Child Care Aware of Minnesota website each Tuesday to reflect the activity through the previous Friday. You can read a brief overview of introduced bills, committee level or floor action, and other news related to **early care and education and school age care**. If you have questions or additions to recommend, please email Ann McCully at: [AnnM@childcareawaremn.org](mailto:AnnM@childcareawaremn.org).

### COMMITTEE ACTIVITY

*A few final bills were heard early in the week prior to the start of the omnibus bill process. These included:*

- House Job Growth and Energy Affordability-**HF 1327** was laid over for possible inclusion in the omnibus bill
- Senate Jobs and Economic Growth- **SF 1512** was laid over for possible inclusion in the omnibus bill
- Senate Human Services reform- **SF 448** was amended and laid over for possible inclusion in the omnibus bill
- House Health and Human Services Finance- **HF 1402 & HF 1577** were laid over for possible inclusion in the omnibus bill
- House Civil Law & Data Practices- **HF 2259** was amended into **HF 990** and referred to the General Register

### BILLS AWAITING FLOOR HEARINGS

*These bills have cleared all committees and received their second hearing. They are awaiting a final floor vote:*

- Positive support strategy rule exemption provided (**HF 904-Franson**)
- Education data access modified, at-home infant child care program funding provided, welfare system terminology and definition modified, and money appropriated (**HF 2245-Scott**).

### BUDGET TARGETS

*House and Senate Leadership provided each of their Committees with the amounts they will be able to spend in creating their omnibus bills. For committees, that may include early care and education elements, those targets are as follows:*

FY 2018-19 targets dollars in millions				
Category	House proposal	Change from FY 18-19 base	Senate proposal	Change from FY 18-19 base
<b>E-12 Education</b>	\$18,529,739	\$257,873	\$18,571,900	\$300,034
<b>HHS</b>	\$13,725,310	(\$599,000)	\$13,989,300	(\$335,000)
<b>Higher Education</b>	\$3,218,992	\$149,499	\$3,169,500	\$100,000

<b>Jobs &amp; Economic Dev.</b>	\$380,000	\$10,811	\$208,100	\$10,000
<b>Taxes</b>	\$4,766,687	\$1,314,810	\$3,491,900	\$40,023

## OMNIBUS BILLS

Six omnibus bills with components impacting early care and education were completed this week, with the remainder expected to be heard during the week of March 27. Bills completed as of Friday, March 24, include the Jobs bill in both bodies, the Higher Education bill in both bodies, the House Education bill and the House Tax bill.

Next week, we will highlight the remaining bills which we anticipate to be the House and Senate Health and Human Services bills, the Senate E-12 Education Bill and potentially the Senate Tax bill.

Here is a summary of the bills that have been completed and their components (and any elements that had been laid over for consideration, but were not included in these bills):

### HOUSE AND SENATE OMNIBUS JOBS BILLS (HF 2209/241937)

#### BOTH BILLS

- Minneapolis YWCA economically challenged individuals job skills development grant appropriation (HF 793 O'Neill/SF 602-Hayden)-funded at **\$375,000** per year in the Senate bill and **\$150,000** per year in the House bill for 2018-2019.

#### HOUSE BILL

- Child care business start-up and expansion grants provided (**HF 1410-Baker**)- **\$500,000 in 2018 only**
- FATHER project funding provided, and money appropriated (**HF 1327-McDonald**)-**\$600,000 in 2018; \$750,000 in 2019**
- Women-run cooperative child care businesses in low-income urban areas pilot program (**HF 1407- Flanagan**)-**\$225,000 in 2018 only**
- Child Care business training funding provided, reports required (**HF 2003-Flanagan**)-**\$125,000 in 2018 only**

#### NOT INCLUDED

- Family and medical leave savings accounts authorized (**HF 736-Peterson, S.**)

### HOUSE AND SENATE OMNIBUS HIGHER EDUCATION BILLS (HF 2477/SF 2214)

#### HOUSE BILL

- Child care grant parameters changed (**HF 2257-Omar**)-Increases the amount of child care grants to \$3,000 and extends the time of use for the grant
- Postsecondary educational institutions required to provide information to pregnant students and student parents (**HF 1577-Omar**)

#### SENATE BILL

*The Senate bill did not include any of the early care and education provisions*

### HOUSE OMNIBUS TAX BILL (HF 4) (Senate Tax bill has not yet been introduced)

- Education expense credit and deduction applied to expenditures for prekindergarten expenses (**HF 602-Anderson**)
- Dependent care credit expanded (**HF 1499-Loon**)--Increases the maximum credit (\$1,050 for one child/\$2,100 for a 2+ child household). This credit Phases out at \$62,000 for one child/\$74,000 for a 2+ child household

## NOT INCLUDED

- Tax credits for parental leave costs allowed (**HF 315-Anderson, S./SF 454-Nelson**)
- Working family income tax credit modification (HF 516-Loeffler/SF 28-Rest)

## **HOUSE EDUCATION BILL (HF 890) (Senate Education bill has not yet been introduced)**

### *The omnibus bill includes all or parts of the following bills:*

- Minnesota reading corps program appropriation (**HF 646-Bennett**)
- Education partnerships enhanced, youth development promoted, education partnerships coalition fund established, and money appropriated (**HF 734-Haley**)
- Prekindergarten through grade 12 education provisions modified (**HF 1376-Erickson**)
- Early Learning Scholarship program administration modified, and commissioner prohibited from designating scholarships for use in predetermined qualifying programs (**HF 1491-Loon**)
- School readiness programs appropriations increase (**HF 1684- Standstede**)
- Parent-Child home program appropriation (**HF 1801-Loon**)
- Early education access fund established, director of early education and development established, enhanced coordination of early education and development programs provided (**HF 1958**)
- Early Learning Scholarship program child eligibility and administration modifications (**HF 1997-Kresha**)

## NOT INCLUDED

- Appropriating money for grants to full-service community schools (HF 146-Davnie)

### *The bill includes the following early care and education policy changes:*

- Repeals the **voluntary Pre-Kindergarten** program and funding (approximately \$41 million)
- De-links **ECFE** funding from the Formula increase adjustment, but provides a small increase
- Expands the **School Readiness** to allow charter schools to establish programs and provides a funding increase
- Creates an **Education Partnership Coalition Fund** to continue and expand the work of some of the Promise Neighborhoods/Transformation zones and provides funding increases
- Establishes an **Office of Early Education and Development** to coordinate Minnesota's early education and development programs. Under this Department:
  - A Director must be appointed by the Governor and will report to the commissioner of Administration
  - The Director must develop early education program policies, streamline administration of each early education program, manage data collection, coordinate internal and external evaluation, serve as Executive Director of the Children's Cabinet (among other duties)
  - The Director will also establish the maximum annual aid a child of three or four years of age may generate from any combination of programs including the school readiness program, early learning scholarships, and the Head Start program
  - The Director may establish early education resource hubs throughout the state to develop strategies to support outreach to families, connection to resources, and program choice
- Increases funding and makes changes to **the Early Learning Scholarship program** as follows:
  - Broadens eligibility to include a child who has not yet enrolled in kindergarten, and is between the ages of three and five; a sibling from birth to age five that attends the same program; a child of a parent under age 21 who is pursuing a high school degree or a course of study for a high school equivalency test; homeless, in foster care, or in need of child protective services
  - Removes the "**Pathway 2**" scholarship option which provides direct funding for program spaces
  - Delays the requirement for programs to have a 3 or 4 star Rating in order to accept scholarships to **July 1, 2022**
- Requires a **comprehensive report** from the commissioners of human services and Education to the Legislature on a number of early care and education measures
- Language allowing for creation of an **after school community learning grant program** (but no funding)

*The House E-12 Omnibus bill includes the following proposed funding increases:*

PROGRAM	BASE funding FY 18-19	HOUSE BILL FY 18-19	BASE funding FY 20-21	HOUSE BILL FY 20-21
Minnesota Reading Corps	\$11.25 million	\$12.25 million	\$11.25 million	\$12.25 million
School Readiness	\$67.4 million	\$75.9 million	\$67.4 million	\$77.1 million
Early Learning Scholarships	\$119.8 million	\$144.4 million	\$119.8 million	\$144.4 million
ECFE	\$59.5 million	\$60.5 million	\$61.5 million	\$62.7 million
Parent-Child home	\$700,000	\$1.7 million	\$700,000	\$1.7 million
Transformation Zone-NAZ	\$2.4 million	\$2.6 million	\$2.4 million	\$2.6 million
Transformation Zone- SPPN	\$2.4 million	\$2.6 million	\$2.4 million	\$2.6 million
Transformation Zone- expansion	0	\$960,000	0	\$960,000

## BILL INTRODUCTIONS

- Teacher education and compensation helps (TEACH) scholarship and education incentives amount increase and program appropriation (**HF 2474-Flanagan/SF 2196-Wiklund**)
- Voluntary prekindergarten eligibility requirements modification (**SF 2232-Eken**)

## COMMITTEE DEADLINES

- **Friday, March 31:** Committees must act favorably on major appropriation and finance bills

## UPCOMING DATES

- **April 10 – 17:** Legislative Recess