



## LEGISLATIVE UPDATE | April 4, 2023

Welcome to the latest 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 action that has been taken at the committee level or on the floor, a brief overview of bills that have been introduced, 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 focus of activity last week was the creation and passage of the House and Senate Omnibus bills. Several bills contain elements related to early childhood and are outlined in this update. Committees will wrap up these bills by April 4<sup>th</sup>, and then leave for a break, returning Monday, April 10<sup>th</sup>.

When the Legislature returns, these omnibus bills will make their way to the House Ways and Means Committee or the Senate Finance Committee, and then on to the House and Senate floors for votes. Both stops allow for opportunities to make additional amendments to the bills, so the items listed below may change through that process.

We will keep you posted on any substantive changes in future updates.

### OMNIBUS BILL SUMMARIES

#### House Children and Families Bill (HF 238-Pinto)

##### Child Care Assistance

- **Expands eligibility** for CCAP to include relative custodians, successor custodians or guardians, or foster parents that otherwise meet CCAP eligibility requirements.
- Permanently **reprioritizes the Basic Sliding Fee** waiting list.
- **Increases CCAP rates to the 75th percentile** of most recent child care market survey.
- Clarifies that CCAP providers **may provide financial assistance** to any clients.
- Modifies when a CCAP provider **may request a fair hearing**.

##### Child Care Workforce

- Adds language to the Child Care Resource and Referral statute to continue offering the **one-stop regional assistance network (Wayfinder)** for child care providers (\$2.9 million per year).
- Establishes a **family, friend, and neighbor** grant program (\$3.5 million per year).

- Establishes new **Great Start Compensation Support payments** (retention payments) for child care providers (\$186 million for 2024-25; \$155.4 million for 2026-27).
- Provides **stabilization transition grants** (\$46.5 million for 2024-25).
- Creates new **shared services alliances** for family child care providers (\$500,000 per year).
- Provides **technology grants** for child care providers (\$300,000 per year).
- Directs DHS to develop a process for recognizing **comparable competencies, a wage scale, and a cost estimation model** to be used in the early care and learning field.

### Child Care Licensing

- Allows a child care provider to ask DHS to **reconsider the contents** of a correction order that the provider alleges to be in error.
- Modifies the actions DHS may take after receiving information regarding **ongoing notifications, suspected fraud, and disqualifications** by another state or federal agency.
- Establishes **continuous licenses** for family child care providers.
- Modifies requirements governing **sleep practices** for child care providers and allows for a cultural accommodation for the use of cradleboards.
- Expands the **definition of “experience”** for use to determine an individual’s qualifications for employment in a licensed child care center.
- Allows Head Start programs that only serve 3- to 5-year-old children to be **exempt from licensure** and requires them to be certified and license-exempt to receive CCAP.
- Modifies the circumstances under which the commissioner **cannot issue a license** under Chapter 245A **or may revoke a license under Chapter 245A.**
- Allows DHS to take specified licensing actions when an individual who is living in the household where the licensed services are provided or is otherwise subject to a background study has **non-disqualifying background study** information.
- Adds **specification to the information** a licenser must include in a correction order and conditional license.
- Changes to requirements governing the **physical infrastructure** of child care settings.
- Requires county staff to use the commissioner’s **electronic licensing checklist** for family child care licensing visits.
- Clarifies that, as part of hiring, a child care center license holder or staff person may **observe how a prospective employee interacts with children** in the licensed facility.
- Allows a certified, license-exempt child care center to **continue to serve a child 14 years or older** under specified circumstances.
- Modifies requirements governing **administration of medicine** in certified, license-exempt child care centers.
- Directs DHS to **expand the definition of “education”** in rules governing licensed child care centers.
- Directs DHS to amend rules governing licensed child care centers to allow a center to hire as an assistant teacher an **individual who meets specified criteria.**

### Infrastructure/technology

- Creates the **Department of Children, Youth, and Families.**
- Establishes the **Great Start Scholarships program.**
- Provides that all licensed child care providers will have **at least a One-Star Rating under Parent Aware** unless the provider opts out of the program.
- Directs MN.IT to develop and implement a plan to **modernize the IT systems that support programs** impacting children and families.

### Education Department elements

- Requires schools to employ a **licensed teacher for preschool programs**; grandfathered in current preschool teachers; allows preschool teachers to be added to the teacher bargaining unit.

- Establishes a **grant program for postsecondary institutions** to improve early childhood curricula (\$250,000 per year).
- Modifies how **the state appropriation for Head Start programs** may be used and designates 10.72 percent of the total state appropriation to Tribal Head Start program.
- Requires a district screening program to **include virtual developmental screening** for families with health conditions.
- **Increases the amount of state aid** paid to school districts for each child who is screened.
- Establishes a **Grow Your Own early childhood educator** grant program (\$3 million per year).
- Provides grants to Minnesota institutions of higher education to address the **early childhood education teacher shortage** (\$490,000 per year)
- Directs the Department of Education to employ **two full-time equivalent staff** to provide operational support and guidance to **ECFE programs** (\$250,000 per year)
- Makes changes to **Early Learning Scholarships**, including expanding eligibility and adding new priority groups.

#### House Children and Families appropriations

- \$133 million each year for **Early Learning Scholarships** expansion 2024-25 (\$40.3 million each year in 2026-27); \$70.7 million each year in base funding
- \$35 million each year for **ECFE**
- \$33 million each year for **School Readiness**
- \$25 million each year for **Head Start**; \$10 million for **Head Start infrastructure** in 2024 only.
- \$900,000 each year for the **ParentChild+ Program**
- \$500,000 each year for **Diaper Distribution grants**
- \$250,000 each year for the **Kindergarten Readiness Assessment**
- \$250,000 in 2024 and 2025 for **the Learning with Music- Early Educators** program
- \$150,000 each year for 2024-2025 for **Way to Grow**

#### House Health Bill (HF 2930-Liebling)

- Establishes the **Community Solutions for healthy development** child development grant program (\$4.9 million in 2024 and \$5 million in 2025 and thereafter)
- Requires the commissioner to establish a grant program to remediate identified sources of **lead in drinking water** in schools **and licensed child care settings** (\$500,000 each year)
- Establishes the **Healthy Beginnings, Healthy Family Act** to improve pregnancy and infant health and wellbeing (\$11 million in 2024 and \$10 million in 2025)
- Establishes the **Help Me Connect system** (\$463,000 in 2024 and \$921,000 in 2025)
- Establishes the supporting **Healthy Development of Babies** grant program (\$260,000 in 2024)

#### House Health appropriations

- \$2.5 million each year for additional **Home Visiting funding**

#### Senate Health and Human Services Bill (SF 2995-Wiklund)

(Aligns with House Children and Families-DHS elements, and House Health bill)

#### Child Care Assistance

- Permanently **reprioritizes the Basic Sliding Fee** waiting list.
- Increases **CCAP rates to the 75th percentile** of most recent child care market survey.
- Implements a **centralized provider registration** for CCAP providers.

## Child Care Workforce

- Adds language to the Child Care Resource and Referral statute to continue offering the **one-stop regional assistance network (Wayfinder)** for child care providers (\$2.9 million per year) and the **workforce development grant (Empower to Educate)** to support economically challenged individuals to being a career in child care (\$1.3 million per year).
- Establishes a **family, friend, and neighbor** grant program (\$3.5 million per year).
- Establishes an early childhood **apprenticeship grant** program (\$2 million per year).
- Directs the Commissioner of Human Services to develop a **cost estimation model** for early care and learning programs.
- Directs the Commissioner of human services to develop a child care and early education **professional wage scale**.
- Creates a **comparable competency for compensation** task force.
- Establishes new **retention payments** for child care providers (\$245.9 million in 2024-25; \$291.3 million in 2026-27).
- Provides stabilization **transition grants** (\$41.9 million for 2024-25).
- Creates new **shared services alliances** for family child care providers (\$500,000 per year).
- Provides **technology grants** for child care providers (\$300,000 per year).
- Business **training grants** (\$1.25 million in 2024, \$1.5 million per year after).

## Child Care Licensing

- Modifies background study requirements for **legal non-licensed child care providers**.
- Modifies the actions DHS may take after receiving information regarding **ongoing notifications, suspected fraud, and disqualifications** by another state or federal agency.
- Establishes **continuous licenses** for family child care providers.
- Implements a provider **licensing and reporting hub**.
- Modifies the circumstances under which the commissioner **cannot issue a license** under chapter 245A **or may revoke a license under chapter 245A**.

## Infrastructure/technology

- Creates the **Department of Children, Youth, and Families**.
- Provides for **lead remediation** in schools and child care centers (\$500,000 per year).

## Health Department elements

- Establishes the **Community Solutions for healthy development** child development grant program (\$3.9 million in 2024 and \$4 million in 2025 and thereafter).
- Establishes the supporting **Healthy Development of Babies** grant program (\$288,000 per year).
- Establishes the **Healthy Beginnings, Healthy Family Act** to improve pregnancy and infant health and well-being (\$6.4 million in 2024 and \$6.5 million in 2025 and thereafter).
- Establishes the **Help Me Connect system** (\$463,000 in 2024 and \$921,000 each year thereafter).

## Senate Health and Human Services Appropriations

- \$545,000 in 2024 and \$553,000 each year thereafter for **Diaper Distribution grants**.
- \$695,000 per year for **T.E.A.C.H Early Childhood Minnesota® Scholarships**.
- \$2.484 million in 2024-2025 and \$1.8 million per year thereafter for **REETAIN Grants**.
- \$10 million each year for additional **Home Visiting funding**.
- \$1.18 million in 2024 and \$1.2 million each year thereafter for **infant and early childhood mental health consultation**.

## House Education Bill (HF 2497-Youakim)

(Note- most Early Childhood elements are in the Children and Families bill outlined above)

- Expands eligibility for **free breakfast to early childhood special education students**.
- Beginning in fiscal year 2024 makes the 4,000 **expiring VPK seats permanent**.
- Modifies criteria for and uses **of after-school community learning grants**. Requires a proposal for grants to include specific components.

### House Education Appropriations

- \$7.95 million per year for **Early Childhood Literacy Programs** (Reading Corps).
- \$2.6 million each year for **Education Partnership Program** Tier 1 grants and \$480,000 each year for Tier 2 implementing grants.
- \$25,000 in 2024 for **After school program grants**.

## Senate Education Bill (SF 2684-Kunesh)

(Aligns with House Children & Families and House Education bills)

- Expands eligibility for **free breakfast to early childhood special education students**.
- Modifies how **the state appropriation for Head Start programs** may be used and designates 10.72 percent of the total state appropriation to Tribal Head Start program.
- Makes changes to **early learning scholarships**, including expanding eligibility and adding new priority groups.
- **Increases the amount of state aid** paid to school districts for each child who is screened.
- Establishes a **Grow Your Own early childhood educator** grant program (\$1.5 million per year).
- Provides grants to Minnesota institutions of higher education to address the **early childhood education teacher shortage** (\$490,000 per year in 2024-25 and \$700,000 each year thereafter).
- Directs the Department of Education to employ **two fulltime equivalent staff** to provide operational support and guidance to **ECFE programs** (\$375,000 each year).
- Modifies criteria for and uses **of after-school community learning grants**. Requires a proposal for grants to include specific components.

### Senate Education Appropriations

- \$135.3 million each year for **Early Learning Scholarships expansion** 2024-25 (\$35million in 2026-27); \$70 million each year in base funding.
- \$40 million in 2024 for the **After School Community Learning grant**.
- \$35 million each year for **Head Start**.
- \$35 million each year for **ECFE**.
- \$33.6 million each year for **School Readiness**.
- \$14.5 million in 2024 for **Full-service community schools**.
- \$7.95 million each year for **Early Childhood Literacy Program (Reading Corps)**.
- \$3.4 million in 2024 and \$3.3 million each year thereafter for **Developmental Screening Aid**.
- \$2.6 million each year for **Education Partnership Program** Tier 1 grants and \$2.1 million each year for Tier 2 implementing grants.
- \$1.8 million each year for the **ParentChild+ Program**.
- \$281,000 each year for the **Kindergarten Entrance Assessment program**.
- \$250,000 each year for **Reach out and read**.
- \$250,000 in 2024 and 2025 for **the Learning with Music- Early Educators program**.

## House Higher Education Bill (HF 2073-Pelowski)

- Appropriates base-level funding of \$6.694 million per year for **child care grants**.
- **Adds child care to the Dual Training Competency Grant program**; Appropriates \$6.632 million in FY24 and \$2.632 million in FY25 for dual training grants. This is \$5.264 million above the base for the biennium.
- Appropriates \$4.425 million in FY24 and \$4 million in FY25 in new funding for **grants to postsecondary institutions and partnering entities to assist students who are expectant parents and parents of young children**.
- Appropriates \$475,000 in FY24 in new one-time funding for transfer to MnState to help **child development associate credential holders earn academic credit towards a related certificate, diploma, or degree**.
- Dedicates \$10.75 million per year to **workforce development scholarships**. This is \$12.5 million above the base for the biennium. Requires the new additional amount in FY25 to be matched from nonstate sources. Specifies a base of \$4.5 million per year in FY26 and later.
- Expands the workforce development scholarship program to include students **enrolled in certificate programs, who may receive awards up to \$1,500**. Increases the **total lifetime award cap** on scholarships from **\$7,500 to \$12,000 per student**.

### Senate Higher Education Bill (SF 2075-Fateh)

- Appropriates base-level funding of \$6.694 million per year for **child care grants**.
- **Adds child care to the Dual Training Competency Grant program**; Appropriates \$4.132 million in FY 24 and FY 25 for dual training grants. This is \$4.264 million above the base for the biennium.
- Appropriates \$6.6 million in 2024 and \$6.1 million in 2025 in new funding for **grants to postsecondary institutions and partnering entities to assist students who are expectant parents and parents of young children**.
- Appropriates \$475,000 in FY24 in new one-time funding for transfer to MnState to help **child development associate credential holders earn academic credit towards a related certificate, diploma, or degree**.
- Dedicates base funding of \$4.5 million per year to **workforce development scholarships**.

### House Jobs and Economic Development (HF 3028-Hassan)

- Establishes the **Office of Child Care Community Partnerships** within the Department of Employment and Economic Development to coordinate with government and business entities to promote investment in child care businesses and access and to administer child care economic development grants, among other duties.
- Allocates \$1.5 million per year in grants to local communities to **increase the number of quality child care providers** to support economic development.
- Allocates \$1 million per year in grants to the Minnesota Initiative Foundations **focused on increasing child care**.

### Senate Jobs and Economic Growth (SF 3035-Champion)

- Establishes the **Office of Child Care Community Partnerships** within the Department of Employment and Economic Development to coordinate with government and business entities to promote investment in child care businesses and access and to administer child care economic development grants, among other duties.
- Allocates \$6.5 million per year in 2024-25 and \$1.5 million per year in 2026-27 in grants to local communities to **increase the number of quality child care providers** to support economic development.
- Allocates \$6 million in 2024 and \$1 million per year thereafter in grants to the Minnesota Initiative Foundations **focused on increasing child care**.

## BILL INTRODUCTIONS

There were no related bills introduced during the week of **March 27-31**. For more information about bills introduced to date or to see all of the bills introduced, please download our weekly [Bill Tracker](#).

## DEADLINES

- **Tuesday, April 4 by 5 p.m.** Committees must act favorably on major appropriation and finance bills
- **April 4 at 5 p.m. – April 10** Legislative Recess
- **May 22** Last day of session