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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 3042

03/13/2014 Authored by Newton

The bill was read for the first time and referred to the Committee on Early Childhood and Youth Development Policy

1.1 A bill for an act  
1.2 relating to education finance; simplifying the registration process for certain  
1.3 recipients of early learning scholarships; clarifying the payment process for  
1.4 certain program providers; amending Minnesota Statutes 2013 Supplement,  
1.5 section 124D.165, subdivision 3.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2013 Supplement, section 124D.165, subdivision 3,  
1.8 is amended to read:

1.9 Subd. 3. **Administration.** (a) The commissioner shall establish application  
1.10 timelines and determine the schedule for awarding scholarships that meets operational  
1.11 needs of eligible families and programs. The commissioner may prioritize applications on  
1.12 factors including family income, geographic location, and whether the child's family is on a  
1.13 waiting list for a publicly funded program providing early education or child care services.

1.14 (b) Scholarships may be awarded up to \$5,000 for each eligible child per year.

1.15 (c) A four-star rated program that has children eligible for a scholarship enrolled  
1.16 in or on a waiting list for a program beginning in July, August, or September may notify  
1.17 the commissioner, in the form and manner prescribed by the commissioner, each year  
1.18 of the program's desire to enhance program services or to serve more children than  
1.19 current funding provides. The commissioner may designate a predetermined number of  
1.20 scholarship slots for that program and notify the program of that number. A program  
1.21 qualifying under this paragraph may use its established registration process to enroll  
1.22 scholarship recipients and may verify a scholarship recipient's family income in the same  
1.23 manner as for other program participants.

1.24 (d) A scholarship is awarded for a 12-month period. If the scholarship recipient has  
1.25 not been accepted and subsequently enrolled in a rated program within ten months of the

2.1 awarding of the scholarship, the scholarship cancels and the recipient must reapply in  
2.2 order to be eligible for another scholarship. A child may not be awarded more than one  
2.3 scholarship in a 12-month period.

2.4 (e) A child who receives a scholarship who has not completed development  
2.5 screening under sections 121A.16 to 121A.19 must complete that screening within 90  
2.6 days of first attending an eligible program.

2.7 (f) A program enrolling scholarship recipients under paragraph (c) may apply to the  
2.8 commissioner, in the form and manner prescribed by the commissioner, for direct payment  
2.9 of state aid. Upon receipt of the application, the commissioner must pay each program  
2.10 directly for each approved scholarship recipient enrolled under paragraph (c) according to  
2.11 the metered payment system or another schedule established by the commissioner.

2.12 **EFFECTIVE DATE.** This section is effective the day following final enactment.