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17-4107

State of Minnesota

HOUSE OF REPRESENTATIVES ^{1 V E S} H. F. No. 2259

NINETIETH SESSION

03/08/2017

Authored by Loon The bill was read for the first time and referred to the Committee on Education Innovation Policy

1.1	A bill for an act
1.2 1.3 1.4 1.5 1.6 1.7 1.8 1.9	relating to state government; education finance; establishing the early education access fund in the Department of Administration; establishing a director of early education and development within the early education access fund; providing for enhanced coordination of early education and development programs; authorizing early education resource hubs; requiring a report; transferring certain early education programs to the director of early education and development; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 119C.
1.10	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
1.11	Section 1. [119C.01] DEFINITIONS.
1.12	Subdivision 1. Application. The definitions in this section apply to this chapter.
1.13	Subd. 2. Commissioner. "Commissioner" means the commissioner of administration.
1.14	Subd. 3. Department. "Department" means the Department of Administration.
1.15	Subd. 4. Director. "Director" means the director of early education and development.
1.16	Subd. 5. Early education programs. "Early education programs" includes:
1.17	(1) the school readiness program under sections 124D.15 and 124D.16;
1.18	(2) the voluntary prekindergarten program under section 124D.151;
1.19	(3) the early learning scholarship program under section 124D.165; and
1.20	(4) the Head Start program under sections 119A.50 to 119A.545.
1.21	Subd. 6. Fund. "Fund" means the early education access fund.

REVISOR

2.1	Sec. 2. [119C.015] POLICY AND PURPOSE.
2.2	(a) The purpose of chapter 119C is to establish an office of early education and
2.3	development to coordinate Minnesota's early education and development programs and
2.4	funding in accordance with state law.
2.5	(b) It is in the best interests of Minnesota families that early education and development
2.6	programs be coordinated to maximize quality, access, accountability, and cost-effectiveness.
2.7	Sec. 3. [119C.02] EARLY EDUCATION ACCESS FUND.
2.8	The early education access fund is established to coordinate appropriations in support
2.9	of children attending high-quality early child care and education programs of their parents'
2.10	choice.
2.11	Sec. 4. [119C.03] DIRECTOR OF EARLY EDUCATION AND DEVELOPMENT.
2.12	Subdivision 1. Appointment. The director of early education and development shall be
2.13	appointed by the governor. The commissioner shall provide human resources, payroll,
2.14	accounting, procurement, and other similar administrative services to the director. The
2.15	director's appointment is subject to the advice and consent of the senate.
2.16	Subd. 2. Qualifications. The governor shall select the director on the basis of professional
2.17	qualifications and knowledge of early childhood development, early childhood education,
2.18	and related public policies. The director serves in the unclassified service for a term of four
2.19	years. The first term shall end on December 31, 2020. The governor may remove the director
2.20	for cause. If a director resigns or is removed for cause, the governor shall appoint a director
2.21	for the remainder of the term.
2.22	Subd. 3. Compensation. Compensation of the director shall be established under chapter
2.23	<u>15A.</u>
2.24	Subd. 4. Duties; powers. (a) The director must:
2.25	(1) develop early education programs policies;
2.26	(2) coordinate outreach to eligible families to provide uniform notification about available
2.27	program options;
2.28	(3) align funding streams and streamline the administration of each early education
2.29	program for eligible families and children to ensure continuous access to programs;
2.30	(4) manage a data collection system to support and evaluate a coordinated system of
2.31	early child care and education;

2

Sec. 4.

	03/07/17	REVISOR	KRB/LP	17-4107		
3.1	(5) coordinate internal and external	evaluation of early	child care and educatio	n programs		
3.2	to measure and report on their effectiveness and efficiency;					
3.3	(6) prescribe policies and procedu	(6) prescribe policies and procedures necessary to administer the early child care and				
3.4	education programs;					
3.5	(7) develop data-sharing agreemen	nts and memoranda	of understanding, as n	ecessary,		
3.6	with the commissioners of administra	with the commissioners of administration, education, health, and human services; and				
3.7	(8) serve as executive director of the Children's Cabinet established in section 4.045.					
3.8	(b) In carrying out the duties unde	r paragraph (a), the	director shall have the	e authority		
3.9	<u>to:</u>					
3.10	(1) direct and control money appro	opriated to the direc	ctor; and			
3.11	(2) enter into agreements with oth	er state agencies to	provide appropriate fu	nding to		
3.12	early child care and education program	ms.				
3.13	Subd. 5. Coordination with othe	r agencies. (a) The	commissioner of educ	ation must		
3.14	administer early education programs	in the manner speci	fied by the director.			
3.15	(b) The commissioner of human s	ervices must admin	ister the quality rating	and		
3.16	improvement system in the manner sp	pecified by the direct	ctor.			
3.17	EFFECTIVE DATE. This section	n is effective July 1	, 2017.			
3.18	3.18 Sec. 5. [119C.04] FUND AND PROGRAM ADMINISTRATION.					
3.19	Subdivision 1. Federal funds. The	e director may apply	/ for, receive, and disbu	urse federal		
3.20	funds made available to the state by for	ederal law or rule fo	or any purpose consiste	ent with the		
3.21	powers and duties of the director. The	e director is authoriz	zed to accept any dona	tions or		
3.22	grants from any public or private con-	cern. All money rec	eived by the director r	nust be		
3.23	deposited in the fund in the state treas	ury and is appropria	ted to the director for t	he purpose		
3.24	for which it was received.					
3.25	Subd. 2. Program requirements.	(a) A program rece	eiving aid or enrolling	children		
3.26	under this chapter must participate in	the quality rating a	nd improvement system	m under		
3.27	section 124D.142.					
3.28	(b) Notwithstanding any law to the	e contrary, a child n	nust be enrolled at leas	t 350 hours		
3.29	per year in an eligible program to gen	erate aid under this	chapter.			
3.30	Subd. 3. Aid limits. (a) Notwithsta	nding any law to the	contrary, a child may n	ot generate		
3.31	annual aid from any combination of p	programs under this	chapter in excess of an	n amount		

3

KRB/LP

- equal to the 75th percentile of the market rate survey under section 119B.02, as biennially 4.1 adjusted. The director may charge a fee on a sliding scale with consideration for program 4.2 4.3 quality, program schedule, or family income. (b) For the purposes of the limit under this subdivision, the director must include aid to 4.4 a child under the child care assistance program and any federal Head Start aids attributable 4.5 to the child. 4.6 (c) Notwithstanding paragraph (a), the director may waive the aid limit for children 4.7 facing extreme hardship or urgent need. 4.8 Subd. 4. Accountability. Each child enrolled in a program under this chapter must 4.9 receive a kindergarten readiness assessment consistent with section 124D.162. 4.10 Subd. 5. Program aid guarantee. For fiscal year 2018 and later, aid for a program 4.11 receiving Head Start aid under section 119A.52 or school readiness aid under section 124D.16 4.12 must not be less than the amount the program would have received in fiscal year 2017 under 4.13 Minnesota Statutes 2016, sections 119A.52 and 124D.16, except that if aid to a program 4.14 would cause children enrolled in the program to exceed the limit under subdivision 3, the 4.15 4.16 director must reduce the aid to that program. **EFFECTIVE DATE.** This section is effective July 1, 2017. 4.17 Sec. 6. [119C.05] EARLY EDUCATION RESOURCE HUBS. 4.18 (a) The director may establish early education resource hubs throughout the state. The 4.19 director shall contract with appropriate organizations to serve as resource hubs. 4.20 (b) Early education resource hubs must, in consultation with a regionally representative 4.21 group of program participant parents, develop strategies to support outreach to families, 4.22 connection to resources, and program choice. 4.23 **EFFECTIVE DATE.** This section is effective July 1, 2017. 4.24 Sec. 7. REPORT REQUIRED. 4.25 No later than January 15, 2018, the commissioner of human services and the director of 4.26 early education and development must deliver a report to the chairs and ranking members 4.27 of the legislative committees having jurisdiction over early childhood education and human 4.28
- 4.29 services. At a minimum, the report must make recommendations relating to:

03/07/17

KRB/LP

5.1	(1) integrating state resources for child care assistance provided through the basic sliding				
5.2	fee program under Minnesota Statutes, section 119B.03, and the Minnesota family investment				
5.3	program under Minnesota Statutes, chapter 256J;				
5.4	(2) aligning family income eligibility requirements for programs under Minnesota				
5.5	Statutes, chapters 119B, 119C, and 256J;				
5.6	(3) reducing duplicative paperwork and administrative burden and increasing the stability				
5.7	of funding for families of children eligible for both an early learning scholarship and support				
5.8	from the child care assistance program;				
5.9	(4) maximizing child care assistance program integrity and payment mechanisms to				
5.10	increase fund accountability and efficiency;				
5.11	(5) transferring powers and duties related to the quality rating and improvement system				
5.12	under Minnesota Statutes, section 124D.142; and				
5.13	(6) transferring powers and duties related to other early education and development				
5.14	programs currently administered by the Department of Education, the Department of Human				
5.15	Services, or the Department of Health.				
5.16	EFFECTIVE DATE. This section is effective July 1, 2017.				
5.17	Sec. 8. APPROPRIATIONS.				
5.18	Subdivision 1. Early education access fund. The sums indicated in this section are				
5.19	appropriated from the general fund to the director of early education and development for				
5.20	the fiscal years designated.				
5.21	Subd. 2. School readiness. For revenue for school readiness programs under Minnesota				
5.22	Statutes, sections 124D.15 and 124D.16:				
5.23	<u>\$ 33,683,000 2018</u>				
5.24	<u>\$ 33,683,000 2019</u>				
5.25	The 2018 appropriation includes \$3,368,000 for 2017 and \$30,315,000 for 2018. The				
5.26	2019 appropriation includes \$3,368,000 for 2018 and \$30,315,000 for 2019.				
5.27	Subd. 3. Early learning scholarships. For the early learning scholarship program under				
5.28	Minnesota Statutes, section 124D.165:				
5.29	<u>\$</u> <u>2018</u>				
5.30	<u>\$</u> <u>2019</u>				

5

	03/07/17		REVIS	SOR	KRB/LP	17-4107
6.1	Up to \$950,000 each year is for administration of this program. Any balance in the first					
6.2	year does not ca	incel but is ava	ilable in the seco	nd year.		
6.3	Subd. 4. Head Start program. For Head Start programs under Minnesota Statutes,					
6.4	section 119A.52:					
6.5	<u>\$</u> <u>25</u>	5,100,000 <u></u>	2018			
6.6	<u>\$</u> <u>25</u>	<u>,100,000</u>	<u></u> <u>2019</u>			
6.7	<u>Subd. 5.</u> Qu	ality rating an	id improvement	system. (a) Fo	or the quality rating	and
6.8	improvement sy	stem under Mi	nnesota Statutes,	section 124D.	142, and increasing	supports
6.9	for providers pa	rticipating in the	he quality rating	and improvem	ent system:	
6.10	<u>\$</u> 1	.,750,000	2018			
6.11		.,750,000	2019			
6.12	Any balance in the first year does not cancel but is available in the second year.					
6.13	(b) The direc	tor of early edu	cation and develo	opment may tra	insfer the money in pa	aragraph
6.14	(a) to the commissioner of human services for the quality rating and improvement system.					system.
6.15	Subd. 6. Adr	ninistrative co	ordination. The	director of earl	y education and deve	lopment
6.16	may transfer mo	oney appropriat	ted under this sec	ction to the De	partment of Education	on for
6.17	payments to be	made on the di	rector's behalf.			
6.18	Sec. 9. REVISOR'S INSTRUCTION.					
6.19	In Minnesot	a Statutes, the	revisor of statutes	s shall revise, a	as necessary, and rec	odify
6.20	programs transferred to the director of early education and development in Minnesota					sota
6.21	Statutes, chapte	r 119C.				

6.22 **EFFECTIVE DATE.** This section is effective July 1, 2017.