

**SENATE
STATE OF MINNESOTA
NINETIETH SESSION**

S.F. No. 1663

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DATE	D-PG	OFFICIAL STATUS
03/02/2017	982	Introduction and first reading Referred to E-12 Policy
03/08/2017	1168	Comm report: To pass and re-referred to Health and Human Services Finance and Policy

1.1 A bill for an act

1.2 relating to education; health; modifying child eligibility for the early learning

1.3 scholarship program; modifying the administration of the early learning scholarship

1.4 program; establishing a targeted home visiting grant program for high-risk

1.5 populations; appropriating money; amending Minnesota Statutes 2016, section

1.6 124D.165, subdivisions 1, 2, 3.

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

1.8 Section 1. Minnesota Statutes 2016, section 124D.165, subdivision 1, is amended to read:

1.9 Subdivision 1. **Establishment; purpose.** There is established an early learning

1.10 scholarships program in order to ~~increase~~ close the opportunity gap by increasing access to

1.11 high-quality early childhood programs for children ~~ages three~~ from birth to age five.

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

1.13 Sec. 2. Minnesota Statutes 2016, section 124D.165, subdivision 2, is amended to read:

1.14 Subd. 2. **Family eligibility.** (a) For a family to receive an early learning scholarship,

1.15 parents or guardians must meet the following eligibility requirements:

1.16 (1) have a child ~~three or four~~ not yet five years of age on September 1 of the current

1.17 school year, who has not yet started kindergarten; and

1.18 (2) have income equal to or less than 185 percent of federal poverty level income in the

1.19 current calendar year, or be able to document their child's current participation in the free

1.20 and reduced-price lunch program or child and adult care food program, National School

1.21 Lunch Act, United States Code, title 42, sections 1751 and 1766; the Food Distribution

1.22 Program on Indian Reservations, Food and Nutrition Act, United States Code, title 7, sections

2.1 2011-2036; Head Start under the federal Improving Head Start for School Readiness Act
 2.2 of 2007; Minnesota family investment program under chapter 256J; child care assistance
 2.3 programs under chapter 119B; the supplemental nutrition assistance program; or placement
 2.4 in foster care under section 260C.212.

2.5 ~~(b) Notwithstanding the other provisions of this section, a parent under age 21 who is~~
 2.6 ~~pursuing a high school or general education equivalency diploma is eligible for an early~~
 2.7 ~~learning scholarship if the parent has a child age zero to five years old and meets the income~~
 2.8 ~~eligibility guidelines in this subdivision.~~

2.9 ~~(e)~~ Any siblings ~~between the ages zero to~~ from birth to age five years old of a child who
 2.10 has been awarded a scholarship under this section must be awarded a scholarship upon
 2.11 request, provided the sibling attends the same program as long as funds are available.

2.12 ~~(d)~~ (c) A child who has received a scholarship under this section must continue to receive
 2.13 a scholarship each year until that child is eligible for kindergarten under section 120A.20
 2.14 and as long as funds are available.

2.15 ~~(e)~~ (d) Early learning scholarships may not be counted as earned income for the purposes
 2.16 of medical assistance under chapter 256B, MinnesotaCare under chapter 256L, Minnesota
 2.17 family investment program under chapter 256J, child care assistance programs under chapter
 2.18 119B, or Head Start under the federal Improving Head Start for School Readiness Act of
 2.19 2007.

2.20 ~~(f)~~ (e) A child from an adjoining state whose family resides at a Minnesota address as
 2.21 assigned by the United States Postal Service, who has received developmental screening
 2.22 under sections 121A.16 to 121A.19, who intends to enroll in a Minnesota school district,
 2.23 and whose family meets the criteria of paragraph (a) is eligible for an early learning
 2.24 scholarship under this section.

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

2.26 Sec. 3. Minnesota Statutes 2016, section 124D.165, subdivision 3, is amended to read:

2.27 Subd. 3. **Administration.** (a) The commissioner shall establish application timelines
 2.28 and determine the schedule for awarding scholarships that meets operational needs of eligible
 2.29 families and programs. The commissioner must give highest priority to applications from
 2.30 children who:

2.31 (1) have a parent under age 21 who is pursuing a high school or general education
 2.32 equivalency diploma;

3.1 (2) are in foster care or otherwise in need of protection or services; or

3.2 (3) have experienced homelessness, as defined under the federal McKinney-Vento
3.3 Homeless Assistance Act, in the last 24 months.

3.4 The commissioner may prioritize applications on additional factors including family
3.5 income, geographic location, and whether the child's family is on a waiting list for a publicly
3.6 funded program providing early education or child care services.

3.7 (b) ~~For fiscal years 2014 and 2015 only, scholarships may not exceed \$5,000 per year~~
3.8 ~~for each eligible child.~~ For fiscal year 2016 and later, the commissioner shall establish a
3.9 target for the average scholarship amount per child based on the results of the rate survey
3.10 conducted under section 119B.02.

3.11 (c) A four-star rated program that has children eligible for a scholarship enrolled in or
3.12 on a waiting list for a program beginning in July, August, or September may notify the
3.13 commissioner, in the form and manner prescribed by the commissioner, each year of the
3.14 program's desire to enhance program services or to serve more children than current funding
3.15 provides. The commissioner may designate a predetermined number of scholarship slots
3.16 for that program and notify the program of that number. Beginning July 1, 2016, a school
3.17 district or Head Start program qualifying under this paragraph may use its established
3.18 registration process to enroll scholarship recipients and may verify a scholarship recipient's
3.19 family income in the same manner as for other program participants.

3.20 (d) A scholarship is awarded for a 12-month period. If the scholarship recipient has not
3.21 been accepted and subsequently enrolled in a rated program within ten months of the
3.22 awarding of the scholarship, the scholarship cancels and the recipient must reapply in order
3.23 to be eligible for another scholarship. A child may not be awarded more than one scholarship
3.24 in a 12-month period.

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

3.28 (f) For fiscal year 2017 and later, a school district or Head Start program enrolling
3.29 scholarship recipients under paragraph (c) may apply to the commissioner, in the form and
3.30 manner prescribed by the commissioner, for direct payment of state aid. Upon receipt of
3.31 the application, the commissioner must pay each program directly for each approved
3.32 scholarship recipient enrolled under paragraph (c) according to the metered payment system
3.33 or another schedule established by the commissioner.

4.1 Sec. 4. **APPROPRIATION; TARGETED HOME VISITING FOR HIGH-RISK**
 4.2 **POPULATIONS.**

4.3 \$..... in fiscal year 2018 and \$..... in fiscal year 2019 are appropriated from the general
 4.4 fund to the commissioner of health for community-led targeted home visiting services to
 4.5 families living in poverty targeting first-time mothers and high-risk families with children
 4.6 prenatal through age five.

4.7 Sec. 5. **APPROPRIATIONS.**

4.8 Subdivision 1. Department of Education. The sums indicated in this section are
 4.9 appropriated from the general fund to the Department of Education for the fiscal years
 4.10 designated.

4.11 Subd. 2. Early learning scholarships. (a) For the early learning scholarship program
 4.12 under Minnesota Statutes, section 124D.165:

4.13	\$	<u>2018</u>
4.14	\$	<u>2019</u>

4.15 Up to \$950,000 each year is for administration of this program. Any balance in the first
 4.16 year does not cancel but is available in the second year.

4.17 (b) Of these amounts, up to five percent in each year is for transfer to the commissioner
 4.18 of human services for expansion of the quality rating and improvement system under
 4.19 Minnesota Statutes, section 124D.142. The amount transferred under this paragraph must
 4.20 be reduced by the amount of any federal funding in that year for the system under Minnesota
 4.21 Statutes, section 124D.142.