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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. **3714**

02/25/2026 Authored by Clardy and Pérez-Vega  
The bill was read for the first time and referred to the Committee on Children and Families Finance and Policy  
03/16/2026 Adoption of Report: Amended and re-referred to the Committee on Education Policy

1.1 A bill for an act  
1.2 relating to children, youth, and families; modifying enrollment and eligibility  
1.3 priority for children in foster care for community education programs, school  
1.4 readiness programs, early learning scholarships, and basic sliding fee child care  
1.5 assistance; modifying the Northstar foster care child care allowance; requiring  
1.6 licensing agencies to provide prospective child foster care license holders with  
1.7 information about child care costs and early childhood education programs;  
1.8 amending Minnesota Statutes 2024, sections 124D.19, subdivision 14, by adding  
1.9 a subdivision; 142A.607, subdivision 4; 142B.06, subdivision 5; 142B.40,  
1.10 subdivision 3; 142D.05, subdivision 8; 142D.25, subdivision 3; 142E.04,  
1.11 subdivision 4.

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

1.13 Section 1. Minnesota Statutes 2024, section 124D.19, is amended by adding a subdivision  
1.14 to read:

1.15 Subd. 13a. School-age care programs; priority for children in foster care. Each  
1.16 district operating a school-age care, youth after-school enrichment, or other before- and  
1.17 after-school community education program under this section must ensure that children in  
1.18 foster care, as defined under section 260C.007, subdivision 18, receive the highest priority  
1.19 for enrollment in community education programs. In order to give a child priority under  
1.20 this paragraph, the district may require a letter or other documentation from a responsible  
1.21 social services agency or child-placing agency verifying that the child is in foster care. The  
1.22 district must process a verification letter or other documentation within 48 hours of receiving  
1.23 the letter or documentation.

2.1 Sec. 2. Minnesota Statutes 2024, section 124D.19, subdivision 14, is amended to read:

2.2 Subd. 14. **Community education; annual report.** Each district offering a community  
2.3 education program under this section must annually report to the department information  
2.4 regarding each community education program, including youth after-school enrichment  
2.5 programs, that receives aid or levy. Each district's annual report must include information  
2.6 on the district's priority enrollment policies and its compliance with subdivision 13a.

2.7 Sec. 3. Minnesota Statutes 2024, section 142A.607, subdivision 4, is amended to read:

2.8 Subd. 4. **Child care allowance portion of assessment.** (a) The assessment tool  
2.9 established under subdivision 2 must include consideration of the caregiver's need for child  
2.10 care under this subdivision, with greater consideration for children of younger ages.

2.11 (b) The child's assessment must include consideration of the caregiver's need for child  
2.12 care if the following criteria are met:

2.13 (1) the child is under age 13;

2.14 (2) all available adult caregivers are employed or attending educational or vocational  
2.15 training programs; and

2.16 (3) the caregiver does not receive child care assistance for the child under chapter 142E.

2.17 (c) ~~For children younger than seven years of age,~~ The level determined by the non-child  
2.18 care portions of the assessment must be adjusted based on the average number of hours  
2.19 child care is needed each week due to employment or attending a training or educational  
2.20 program as follows:

2.21 (1) fewer than ten hours or if the caregiver is participating in the child care assistance  
2.22 program under chapter ~~142B~~ 142E, no adjustment;

2.23 (2) ten to 19 hours or if needed during school summer vacation or equivalent only,  
2.24 increase one level;

2.25 (3) 20 to 29 hours, increase two levels;

2.26 (4) 30 to 39 hours, increase three levels; and

2.27 (5) 40 or more hours, increase four levels.

2.28 ~~(d) For children at least seven years of age but younger than 13, the level determined~~  
2.29 ~~by the non-child care portions of the assessment must be adjusted based on the average~~  
2.30 ~~number of hours child care is needed each week due to employment or attending a training~~  
2.31 ~~or educational program as follows:~~

3.1 ~~(1) fewer than 20 hours, needed during school summer vacation or equivalent only, or~~  
3.2 ~~if the caregiver is participating in the child care assistance program under chapter 142E, no~~  
3.3 ~~adjustment;~~

3.4 ~~(2) 20 to 39 hours, increase one level; and~~

3.5 ~~(3) 40 or more hours, increase two levels.~~

3.6 ~~(e) When the child attains the age of seven, the child care allowance must be reduced~~  
3.7 ~~by reducing the level to that available under paragraph (d). For children in foster care,~~  
3.8 ~~benefits under section 142A.609 must be automatically reduced when the child turns seven.~~  
3.9 ~~For children who receive Northstar kinship assistance or adoption assistance, agreements~~  
3.10 ~~must include similar provisions to ensure that the benefit provided to these children does~~  
3.11 ~~not exceed the benefit provided to children in foster care.~~

3.12 ~~(f) (d)~~ When the child attains the age of 13, the child care allowance must be eliminated  
3.13 by reducing the level to that available prior to any consideration of the caregiver's need for  
3.14 child care. For children in foster care, benefits under section 142A.609 must be automatically  
3.15 reduced when the child attains the age of 13. For children who receive Northstar kinship  
3.16 assistance or adoption assistance, agreements must include similar provisions to ensure that  
3.17 the benefit provided to these children does not exceed the benefit provided to children in  
3.18 foster care.

3.19 ~~(g) (e)~~ The child care allowance under this subdivision is not available to caregivers  
3.20 who receive the child care assistance under chapter 142E. A caregiver receiving a child care  
3.21 allowance under this subdivision must notify the commissioner if the caregiver subsequently  
3.22 receives the child care assistance program under chapter 142E, and the level must be reduced  
3.23 to that available prior to any consideration of the caregiver's need for child care.

3.24 ~~(h) (f)~~ In establishing the assessment tool under subdivision 2, the commissioner must  
3.25 design the tool so that the levels applicable to the non-child care portions of the assessment  
3.26 at a given age accommodate the requirements of this subdivision.

3.27 Sec. 4. Minnesota Statutes 2024, section 142B.06, subdivision 5, is amended to read:

3.28 Subd. 5. **Child foster care license application.** (a) The relatives with whom the  
3.29 emergency placement has been made shall complete the child foster care license application  
3.30 and necessary paperwork within ten days of the placement. The county agency shall assist  
3.31 the applicant to complete the application. The granting of a child foster care license to a  
3.32 relative shall be under the procedures in this chapter and according to the standards in  
3.33 Minnesota Rules, chapter 2960. In licensing a relative, the commissioner shall consider the

4.1 importance of maintaining the child's relationship with relatives as an additional significant  
4.2 factor in determining whether a background study disqualification should be set aside under  
4.3 section 245C.22, or a variance should be granted under section 245C.30.

4.4 (b) When the county or private child-placing agency is processing an application for  
4.5 child foster care licensure of a relative as defined in section 260B.007, subdivision 12, or  
4.6 260C.007, subdivision 26b or 27, the county agency or child-placing agency must explain  
4.7 the licensing process to the prospective licensee, including the background study process  
4.8 and the procedure for reconsideration of an initial disqualification for licensure. The county  
4.9 or private child-placing agency must also provide the prospective relative licensee with  
4.10 information regarding Northstar foster care benefits, child care costs, and early childhood  
4.11 education programs for a child in foster care, and appropriate options for legal representation  
4.12 in the pertinent geographic area. If a relative is initially disqualified under section 245C.14,  
4.13 the commissioner must provide written notice of the reasons for the disqualification and  
4.14 the right to request a reconsideration by the commissioner as required under section 245C.17.

4.15 (c) The commissioner shall maintain licensing data so that activities related to applications  
4.16 and licensing actions for relative foster care providers may be distinguished from other child  
4.17 foster care settings.

4.18 Sec. 5. Minnesota Statutes 2024, section 142B.40, subdivision 3, is amended to read:

4.19 Subd. 3. **License holder qualifications for child foster care.** (a) Child foster care  
4.20 license holders must maintain the ability to care for a foster child and ensure a safe home  
4.21 environment for children placed in their care. License holders must immediately notify the  
4.22 licensing agency of:

4.23 (1) any changes to the license holder or household member's physical or behavioral  
4.24 health that may affect the license holder's ability to care for a foster child or pose a risk to  
4.25 a foster child's health; or

4.26 (2) changes related to the care of a child or vulnerable adult for whom the license holder  
4.27 is a parent or legally responsible, including living out of the home for treatment for physical  
4.28 or behavioral health, modified parenting time arrangements, legal custody, or placement in  
4.29 foster care.

4.30 (b) The licensing agency may request a license holder or household member to undergo  
4.31 an evaluation by a specialist in areas such as physical or behavioral health to evaluate the  
4.32 license holder's ability to provide a safe environment for a foster child. Prior to assigning  
4.33 a specialist to evaluate, the licensing agency must tell the license holder or household

5.1 member why the licensing agency has requested a specialist evaluation and request a release  
5.2 of information from the license holder or household member.

5.3 (c) The licensing agency must explain the licensing process to a prospective child foster  
5.4 care licensee, including the background study process and the procedure for reconsideration  
5.5 of an initial disqualification for licensure. The licensing agency must also provide the  
5.6 prospective licensee with information regarding Northstar foster care benefits, child care  
5.7 costs, and early childhood education programs for a child in foster care.

5.8 Sec. 6. Minnesota Statutes 2024, section 142D.05, subdivision 8, is amended to read:

5.9 Subd. 8. **Eligibility.** (a) A child is eligible to participate in a school readiness program  
5.10 if the child:

5.11 (1) is at least three years old on September 1;

5.12 (2) has completed health and developmental screening within 90 days of program  
5.13 enrollment under sections 142D.09 to 142D.093; and

5.14 (3) has one or more of the following risk factors:

5.15 (i) qualifies for free or reduced-price meals;

5.16 (ii) is an English learner;

5.17 (iii) is homeless;

5.18 (iv) has an individualized education program (IEP) or standardized written plan;

5.19 (v) is identified, through health and developmental screenings under sections 142D.09  
5.20 to 142D.093, with a potential risk factor that may influence learning; ~~or~~

5.21 (vi) is in foster care; or

5.22 (vii) is defined as at risk by the school district.

5.23 (b) The commissioner may require a letter or other documentation from a responsible  
5.24 social services agency or child-placing agency for a child eligible under paragraph (a),  
5.25 clause (3), item (vi), verifying that the child is in foster care, as defined in section 260C.007,  
5.26 subdivision 18. The commissioner must process a verification letter or other documentation  
5.27 within 48 hours of receiving the letter or documentation.

6.1 Sec. 7. Minnesota Statutes 2024, section 142D.25, subdivision 3, is amended to read:

6.2 Subd. 3. **Applications; priorities.** (a) The commissioner shall establish application  
6.3 timelines and determine the schedule for awarding scholarships that meet the operational  
6.4 needs of eligible families and programs.

6.5 (b) The commissioner must give highest priority to applications from children who:

6.6 (1) are not yet four years of age or are in foster care;

6.7 (2) have a parent under age 21 who is pursuing a high school diploma or a course of  
6.8 study for a high school equivalency test;

6.9 ~~(3) are in foster care~~;

6.10 ~~(4)~~ (3) have been referred as in need of child protection services;

6.11 ~~(5)~~ (4) have an incarcerated parent;

6.12 ~~(6)~~ (5) are in or have a parent in a substance use treatment program;

6.13 ~~(7)~~ (6) are in or have a parent in a mental health treatment program;

6.14 ~~(8)~~ (7) have experienced domestic violence;

6.15 ~~(9)~~ (8) have an individualized education program or individualized family service plan;

6.16 or

6.17 ~~(10)~~ (9) have experienced homelessness in the last 24 months, as defined under the  
6.18 federal McKinney-Vento Homeless Assistance Act, United States Code, title 42, section  
6.19 1143a.

6.20 (c) Notwithstanding paragraph (b), beginning July 1, 2025, the commissioner must give  
6.21 highest priority to applications from children in families with income equal to or less than  
6.22 the rate specified under subdivision 2, paragraph (a), clause (1), item (i), and within this  
6.23 group must prioritize children who meet one or more of the criteria listed in paragraph (b).

6.24 (d) The commissioner may prioritize applications on additional factors, including but  
6.25 not limited to availability of funding, family income, geographic location, and whether the  
6.26 child's family is on a waiting list for a publicly funded program providing early education  
6.27 or child care services.

6.28 (e) The commissioner may require a letter or other documentation from a responsible  
6.29 social services agency or child-placing agency for a child receiving priority as a child in  
6.30 foster care verifying that the child is in foster care, as defined in section 260C.007,

7.1 subdivision 18. The commissioner must process a verification letter or other documentation  
7.2 within 48 hours of receiving the letter or documentation.

7.3 Sec. 8. Minnesota Statutes 2024, section 142E.04, subdivision 4, is amended to read:

7.4 Subd. 4. **Funding priorities.** (a) In the event that inadequate funding necessitates the  
7.5 use of waiting lists, priority for child care assistance under the basic sliding fee assistance  
7.6 program shall be determined according to this subdivision.

7.7 (b) First priority must be given to eligible non-MFIP families who do not have a high  
7.8 school diploma or commissioner of education-selected high school equivalency certification  
7.9 or who need remedial and basic skill courses in order to pursue employment or to pursue  
7.10 education leading to employment and who need child care assistance to participate in the  
7.11 education program. This includes student parents as defined under section 142E.01,  
7.12 subdivision 26. Within this priority, the following subpriorities must be used:

7.13 (1) child care needs of minor parents;

7.14 (2) child care needs of parents under 21 years of age; and

7.15 (3) child care needs of other parents within the priority group described in this paragraph.

7.16 (c) Second priority must be given to families in which at least one parent is a veteran,  
7.17 as defined under section 197.447.

7.18 (d) Third priority must be given to eligible foster parents providing care to a child placed  
7.19 in a family foster home under section 260C.007, subdivision 16b, or eligible relative  
7.20 custodians to whom permanent legal and physical custody of a child has been transferred  
7.21 pursuant to section 260C.515, subdivision 4.

7.22 (e) Fourth priority must be given to eligible families who do not meet the specifications  
7.23 of paragraph (b), (c), ~~(e)~~ (d), (f), or ~~(f)~~ (g).

7.24 ~~(e)~~ Fourth ~~(f)~~ Fifth priority must be given to families who are eligible for portable basic  
7.25 sliding fee assistance through the portability pool under subdivision 10.

7.26 ~~(f)~~ Fifth ~~(g)~~ Sixth priority must be given to eligible families receiving services under  
7.27 section 142E.01, subdivision 27, if the parents have completed their MFIP transition year.

7.28 ~~(g)~~ (h) Families under paragraph ~~(f)~~ (g) must be added to the basic sliding fee waiting  
7.29 list on the date they complete their transition year under section 142E.01, subdivision 28.

7.30 (i) For families under paragraph (e), the commissioner may require a letter or other  
7.31 documentation from a responsible social services agency or child-placing agency verifying

- 8.1 that the child is in foster care, as defined in section 260C.007, subdivision 18. The
- 8.2 commissioner must process a verification letter or other documentation within 48 hours of
- 8.3 receiving the letter or documentation.