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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 412

01/28/2021 Authored by Olson, L.; Stephenson; Lippert; Sundin; Murphy and others
The bill was read for the first time and referred to the Committee on Early Childhood Finance and Policy
03/04/2021 Adoption of Report: Re-referred to the Committee on Workforce and Business Development Finance and Policy

1.1 A bill for an act
1.2 relating to economic development; appropriating money to increase the number
1.3 of quality child care providers; requiring reports.

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

1.5 Section 1. APPROPRIATION; GRANTS FOR CHILD CARE.

1.6 (a) \$10,000,000 in fiscal year 2022 is appropriated from the general fund to the
1.7 commissioner of employment and economic development for grants to local communities
1.8 to increase the number of quality child care providers to support economic development.
1.9 This is a onetime appropriation and is available through June 30, 2023. Fifty percent of
1.10 grant funds must go to communities located outside the seven-county metropolitan area as
1.11 defined in Minnesota Statutes, section 473.121, subdivision 2.

1.12 (b) Grant recipients must obtain a 50 percent nonstate match to grant funds in either
1.13 cash or in-kind contribution, unless the commissioner waives the requirement. Grant funds
1.14 available under this subdivision must be used to implement projects to reduce the child care
1.15 shortage in the state, including but not limited to funding for child care business start-ups
1.16 or expansion, training, facility modifications, direct subsidies or incentives to retain
1.17 employees, or improvements required for licensing, and assistance with licensing and other
1.18 regulatory requirements. In awarding grants, the commissioner must give priority to
1.19 communities that have demonstrated a shortage of child care providers.

1.20 (c) Within one year of receiving grant funds, grant recipients must report to the
1.21 commissioner on the outcomes of the grant program, including but not limited to the number
1.22 of new providers, the number of additional child care provider jobs created, the number of
1.23 additional child care slots, and the amount of cash and in-kind local funds invested. Within

- 2.1 one month of all grant recipients reporting on program outcomes, the commissioner must
- 2.2 report the grant recipients' outcomes to the chairs and ranking members of the legislative
- 2.3 committees with jurisdiction over early learning and child care and economic development.