

1.1 A bill for an act

1.2 relating to early childhood; modifying early education, prevention,
1.3 self-sufficiency, and lifelong learning; making changes to child care assistance
1.4 provisions; making supplemental appropriations and reductions to appropriations;
1.5 amending Minnesota Statutes 2008, sections 119B.025, subdivision 1; 119B.09,
1.6 subdivision 4; 121A.16; 121A.17, subdivision 5; 124D.141, subdivisions 1,
1.7 2; 124D.15, subdivision 12, by adding a subdivision; 124D.20, subdivision 8;
1.8 Minnesota Statutes 2009 Supplement, sections 124D.10, subdivision 8; 124D.15,
1.9 subdivision 3.

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

1.11 **ARTICLE 1**

1.12 **EARLY CHILDHOOD EDUCATION, PREVENTION, SELF-SUFFICIENCY,**
1.13 **AND LIFELONG LEARNING**

1.14 Section 1. Minnesota Statutes 2008, section 121A.16, is amended to read:

1.15 **121A.16 EARLY CHILDHOOD HEALTH AND DEVELOPMENT**
1.16 **SCREENING; PURPOSE.**

1.17 The legislature finds that early detection of children's health and developmental
1.18 problems can reduce their later need for costly care, minimize their physical and
1.19 educational disabilities, and aid in their rehabilitation. The purpose of sections 121A.16
1.20 to 121A.19 is to assist parents and communities in improving the health of Minnesota
1.21 children and in planning educational and health programs. Charter schools that elect to
1.22 provide a screening program must comply with the requirements of sections 121A.16 to
1.23 121A.19.

1.24 Sec. 2. Minnesota Statutes 2008, section 121A.17, subdivision 5, is amended to read:

2.1 Subd. 5. **Developmental screening program information.** The board must inform
2.2 each resident family with a child eligible to participate in the developmental screening
2.3 program, and a charter school that provides screening must inform families that apply
2.4 for admission to the charter school, about the availability of the program and the state's
2.5 requirement that a child receive a developmental screening or provide health records
2.6 indicating that the child received a comparable developmental screening from a public
2.7 or private health care organization or individual health care provider not later than 30
2.8 days after the first day of attending kindergarten in a public school. A school district
2.9 must inform all resident families with eligible children under age seven, and a charter
2.10 school that provides screening must inform families that apply for admission to the charter
2.11 school, that their children may receive a developmental screening conducted either by the
2.12 school district or by a public or private health care organization or individual health care
2.13 provider and that the screening is not required if a statement signed by the child's parent
2.14 or guardian is submitted to the administrator or other person having general control and
2.15 supervision of the school that the child has not been screened.

2.16 Sec. 3. Minnesota Statutes 2009 Supplement, section 124D.10, subdivision 8, is
2.17 amended to read:

2.18 Subd. 8. **Federal, state, and local requirements.** (a) A charter school shall meet all
2.19 federal, state, and local health and safety requirements applicable to school districts.

2.20 (b) A school must comply with statewide accountability requirements governing
2.21 standards and assessments in chapter 120B.

2.22 (c) A school sponsored by a school board may be located in any district, unless the
2.23 school board of the district of the proposed location disapproves by written resolution.

2.24 (d) A charter school must be nonsectarian in its programs, admission policies,
2.25 employment practices, and all other operations. A sponsor may not authorize a charter
2.26 school or program that is affiliated with a nonpublic sectarian school or a religious
2.27 institution. A charter school student must be released for religious instruction, consistent
2.28 with section 120A.22, subdivision 12, clause (3).

2.29 (e) Charter schools must not be used as a method of providing education or
2.30 generating revenue for students who are being home-schooled.

2.31 (f) The primary focus of a charter school must be to provide a comprehensive
2.32 program of instruction for at least one grade or age group from five through 18 years
2.33 of age. Instruction may be provided to people younger than five years and older than
2.34 18 years of age.

2.35 (g) A charter school may not charge tuition.

3.1 (h) A charter school is subject to and must comply with chapter 363A and section
3.2 121A.04.

3.3 (i) A charter school is subject to and must comply with the Pupil Fair Dismissal
3.4 Act, sections 121A.40 to 121A.56, and the Minnesota Public School Fee Law, sections
3.5 123B.34 to 123B.39.

3.6 (j) A charter school is subject to the same financial audits, audit procedures, and
3.7 audit requirements as a district. Audits must be conducted in compliance with generally
3.8 accepted governmental auditing standards, the Federal Single Audit Act, if applicable,
3.9 and section 6.65. A charter school is subject to and must comply with sections 15.054;
3.10 118A.01; 118A.02; 118A.03; 118A.04; 118A.05; 118A.06; 471.38; 471.391; 471.392; and
3.11 471.425. The audit must comply with the requirements of sections 123B.75 to 123B.83,
3.12 except to the extent deviations are necessary because of the program at the school.
3.13 Deviations must be approved by the commissioner and authorizer. The Department of
3.14 Education, state auditor, legislative auditor, or authorizer may conduct financial, program,
3.15 or compliance audits. A charter school determined to be in statutory operating debt under
3.16 sections 123B.81 to 123B.83 must submit a plan under section 123B.81, subdivision 4.

3.17 (k) A charter school is a district for the purposes of tort liability under chapter 466.

3.18 (l) A charter school must comply with chapters 13 and 13D; and sections 120A.22,
3.19 subdivision 7; 121A.75; and 260B.171, subdivisions 3 and 5.

3.20 (m) A charter school is subject to the Pledge of Allegiance requirement under
3.21 section 121A.11, subdivision 3.

3.22 (n) A charter school offering online courses or programs must comply with section
3.23 124D.095.

3.24 (o) A charter school and charter school board of directors are subject to chapter 181.

3.25 (p) A charter school must comply with section 120A.22, subdivision 7, governing
3.26 the transfer of students' educational records and sections 138.163 and 138.17 governing
3.27 the management of local records.

3.28 (q) A charter school that provides early childhood health and developmental
3.29 screening must comply with sections 121A.16 to 121A.19.

3.30 Sec. 4. Minnesota Statutes 2008, section 124D.141, subdivision 1, is amended to read:

3.31 Subdivision 1. **Membership; duties.** Two members of the house of representatives,
3.32 one appointed by the speaker and one appointed by the minority leader; and two members
3.33 of the senate appointed by the Subcommittee on Committees of the Committee on Rules
3.34 and Administration, including one member of the minority; the commissioner of health or
3.35 the commissioner's designee; and two parents with a child under age six, shall be added

4.1 to the membership of the State Advisory Council on Early Education and Care. The
4.2 council must fulfill the duties required under the federal Improving Head Start for School
4.3 Readiness Act of 2007 as provided in Public Law 110-134.

4.4 Sec. 5. Minnesota Statutes 2008, section 124D.141, subdivision 2, is amended to read:

4.5 Subd. 2. **Additional duties.** The following duties are added to those assigned
4.6 to the council under federal law:

4.7 (1) make recommendations on the most efficient and effective way to leverage state
4.8 and federal funding streams for early childhood and child care programs;

4.9 (2) make recommendations on how to coordinate or colocate early childhood and
4.10 child care programs in one state Office of Early Learning. The council shall establish
4.11 a task force to develop these recommendations. The task force shall include two
4.12 nonexecutive or legislative branch representatives from the council; six representatives
4.13 from the early childhood caucus; two representatives each from the Departments of
4.14 Education, Human Services, and Health; one representative each from a local public health
4.15 agency, a local county human services board, and a school district; and two representatives
4.16 from the private nonprofit organizations that support early childhood programs in
4.17 Minnesota. In developing recommendations, the task force shall consider how to:

4.18 (i) consolidate and coordinate resources and public funding streams for early
4.19 childhood education and child care, and ensure the accountability and coordinated
4.20 development of all early childhood education and child care services to children from birth
4.21 to kindergarten entrance;

4.22 (ii) create a seamless transition from early childhood programs to kindergarten;

4.23 (iii) encourage family choice by ensuring a mixed system of high-quality public and
4.24 private programs, with local points of entry, staffed by well-qualified professionals;

4.25 (iv) ensure parents a decisive role in the planning, operation, and evaluation of
4.26 programs that aid families in the care of children;

4.27 (v) provide consumer education and accessibility to early childhood education
4.28 and child care resources;

4.29 (vi) advance the quality of early childhood education and child care programs in
4.30 order to support the healthy development of children and preparation for their success
4.31 in school;

4.32 (vii) develop a seamless service delivery system with local points of entry for early
4.33 childhood education and child care programs administered by local, state, and federal
4.34 agencies;

5.1 (viii) develop and manage an effective data collection system to support the
5.2 necessary functions of a coordinated system of early childhood education and child care in
5.3 order to enable accurate evaluation of its impact;

5.4 (ix) respect and be sensitive to family values and cultural heritage; and

5.5 (x) establish the administrative framework for and promote the development of early
5.6 childhood education and child care services in order to provide that these services, staffed
5.7 by well-qualified professionals, are available in every community for all families that
5.8 express a need for them.

5.9 In addition, the task force must consider the following responsibilities for transfer
5.10 to the Office of Early Learning:

5.11 (A) responsibilities of the commissioner of education for early childhood education
5.12 programs and financing under sections 119A.50 to 119A.535, 121A.16 to 121A.19, and
5.13 124D.129 to 124D.2211;

5.14 (B) responsibilities of the commissioner of human services for child care assistance,
5.15 child care development, and early childhood learning and child protection facilities
5.16 programs and financing under chapter 119B and section 256E.37; and

5.17 (C) responsibilities of the commissioner of health for family home visiting programs
5.18 and financing under section 145A.17.

5.19 Any costs incurred by the council in making these recommendations will be paid
5.20 from private funds. If no private funds are received, the council will not proceed in
5.21 making these recommendations. The council will report its recommendations to the
5.22 governor and the legislature by January 15, 2011;

5.23 (3) review program evaluations regarding high-quality early childhood programs;

5.24 **and**

5.25 (4) make recommendations to the governor and legislature, including proposed
5.26 legislation on how to most effectively create a high-quality early childhood system in
5.27 Minnesota in order to improve the educational outcomes of children so that all children
5.28 are school-ready by 2020;

5.29 (5) make recommendations to the governor and the legislature by March 1, 2011, on
5.30 the creation and implementation of a statewide school readiness report card to monitor
5.31 progress toward the goal of having all children ready for kindergarten by the year 2020.
5.32 The recommendations shall include what should be measured including both children and
5.33 system indicators, what benchmarks should be established to measure state progress
5.34 toward the goal, and how frequently the report card should be published. In making their
5.35 recommendations, the council shall consider the indicators and strategies for Minnesota's
5.36 early childhood system report, the Minnesota school readiness study, developmental

6.1 assessment at kindergarten entrance, and the work of the council's accountability
6.2 committee. Any costs incurred by the council in making these recommendations will be
6.3 paid from private funds. If no private funds are received, the council will not proceed in
6.4 making these recommendations; and

6.5 (6) make recommendations to the governor and the legislature on how to screen
6.6 earlier and comprehensively assess children for school readiness in order to provide
6.7 increased early interventions and increase the number of children ready for kindergarten.
6.8 In formulating their recommendations, the council shall consider (i) ways to interface
6.9 with parents of children who are not participating in early childhood education or care
6.10 programs, (ii) ways to interface with family child care providers, child care centers, and
6.11 school-based early childhood and Head Start programs, (iii) if there are age-appropriate
6.12 and culturally sensitive screening and assessment tools for three-, four-, and five-year-olds,
6.13 (iv) the role of the medical community in screening, (v) incentives for parents to have
6.14 children screened at an earlier age, (vi) incentives for early education and care providers
6.15 to comprehensively assess children in order to improve instructional practice, (vii) how to
6.16 phase in increases in screening and assessment over time, (viii) how the screening and
6.17 assessment data will be collected and used and who will have access to the data, (ix)
6.18 how to monitor progress toward the goal of having 50 percent of three-year-old children
6.19 screened and 50 percent of five-year-old children assessed for school readiness by 2015
6.20 and 100 percent of three-year-old children screened and five-year-old children assessed
6.21 for school readiness by 2020, and (x) costs to meet these benchmarks. The council shall
6.22 consider the screening instruments and comprehensive assessment tools used in Minnesota
6.23 early childhood education and care programs and kindergarten. The council may survey
6.24 early childhood education and care programs in the state to determine the screening and
6.25 assessment tools being used or rely on previously collected survey data, if available. For
6.26 purposes of this subdivision, "school readiness" is defined as the child's skills, knowledge,
6.27 and behaviors at kindergarten entrance in these areas of child development: social;
6.28 self-regulation; cognitive, including language, literacy, and mathematical thinking; and
6.29 physical. For purposes of this subdivision, "screening" is defined as the activities used to
6.30 identify a child who may need further evaluation to determine delay in development or
6.31 disability. For purposes of this subdivision, "assessment" is defined as the activities used
6.32 to determine a child's level of performance in order to promote the child's learning and
6.33 development. Any costs incurred by the council in making these recommendations will
6.34 be paid from private funds. If no private funds are received, the council will not proceed
6.35 in making these recommendations. The council will report its recommendations to the
6.36 governor and legislature by January 15, 2012, with an interim report on February 15, 2011.

7.1 Sec. 6. Minnesota Statutes 2009 Supplement, section 124D.15, subdivision 3, is
7.2 amended to read:

7.3 Subd. 3. **Program requirements.** A school readiness program provider must:

7.4 (1) assess each child's cognitive skills with a comprehensive child assessment
7.5 instrument when the child enters and again before the child leaves the program to inform
7.6 program planning and parents and promote kindergarten readiness;

7.7 (2) provide comprehensive program content and intentional instructional practice
7.8 aligned with the state early childhood learning guidelines and kindergarten standards and
7.9 based on early childhood research and professional practice that is focused on children's
7.10 cognitive, social, emotional, and physical skills and development and prepares children
7.11 for the transition to kindergarten, including early literacy skills;

7.12 (3) coordinate appropriate kindergarten transition with parents and kindergarten
7.13 teachers;

7.14 ~~(4) arrange for early childhood screening and appropriate referral;~~

7.15 ~~(5)~~ (4) involve parents in program planning and decision making;

7.16 ~~(6)~~ (5) coordinate with relevant community-based services;

7.17 ~~(7)~~ (6) cooperate with adult basic education programs and other adult literacy
7.18 programs;

7.19 ~~(8)~~ (7) ensure staff-child ratios of one-to-ten and maximum group size of 20 children
7.20 with the first staff required to be a teacher; and

7.21 ~~(9)~~ (8) have teachers knowledgeable in early childhood curriculum content,
7.22 assessment, and instruction.

7.23 Sec. 7. Minnesota Statutes 2008, section 124D.15, subdivision 12, is amended to read:

7.24 Subd. 12. **Program fees.** A district must adopt a sliding fee schedule based on a
7.25 family's income but must waive a fee for a participant unable to pay. School districts must
7.26 use school readiness aid for eligible children. Children who do not meet the eligibility
7.27 requirements in subdivision 15 may participate on a fee-for-service basis.

7.28 Sec. 8. Minnesota Statutes 2008, section 124D.15, is amended by adding a subdivision
7.29 to read:

7.30 Subd. 15. **Eligibility.** A child is eligible to participate in a school readiness program
7.31 if the child:

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

7.33 (2) has completed health and developmental screening within 90 days of program
7.34 enrollment under sections 121A.16 to 121A.19; and

- 8.1 (3) has one or more of the following risk factors:
8.2 (i) qualifies for free or reduced-price lunch;
8.3 (ii) is an English language learning child;
8.4 (iii) is homeless;
8.5 (iv) has an individualized education program (IEP) or an individual interagency
8.6 intervention plan (IIIP);
8.7 (v) is identified, through health and developmental screenings under sections
8.8 121A.16 to 121A.19, with a potential risk factor that may influence learning; or
8.9 (vi) is defined as at risk by the school district.

8.10 Sec. 9. Minnesota Statutes 2008, section 124D.20, subdivision 8, is amended to read:

8.11 Subd. 8. **Uses of general revenue.** (a) General community education revenue
8.12 may be used for:

- 8.13 (1) nonvocational, recreational, and leisure time activities and programs;
8.14 (2) programs for adults with disabilities, if the programs and budgets are approved
8.15 by the department;
8.16 (3) adult basic education programs, according to section 124D.52;
8.17 (4) summer programs for elementary and secondary pupils;
8.18 (5) implementation of a youth development plan;
8.19 (6) implementation of a youth service program;
8.20 (7) early childhood family education programs, according to section 124D.13; ~~and~~
8.21 (8) school readiness programs, according to section 124D.15; and
8.22 (9) extended day programs, according to section 124D.19, subdivision 11.

8.23 ~~(9)~~ (b) In addition to money from other sources, a district may use up to ten percent
8.24 of its community education revenue for equipment that is used exclusively in community
8.25 education programs. This revenue may be used only for the following purposes:

- 8.26 ~~(i)~~ (1) to purchase or lease computers and related materials;
8.27 ~~(ii)~~ (2) to purchase or lease equipment for instructional programs; and
8.28 ~~(iii)~~ (3) to purchase textbooks and library books.

8.29 ~~(b)~~ (c) General community education revenue must not be used to subsidize the
8.30 direct activity costs for adult enrichment programs. Direct activity costs include, but
8.31 are not limited to, the cost of the activity leader or instructor, cost of materials, or
8.32 transportation costs.

ARTICLE 2

CHILD CARE

Section 1. Minnesota Statutes 2008, section 119B.025, subdivision 1, is amended to read:

Subdivision 1. **Factors which must be verified.** (a) The county shall verify the following at all initial child care applications using the universal application:

- (1) identity of adults;
- (2) presence of the minor child in the home, if questionable;
- (3) relationship of minor child to the parent, stepparent, legal guardian, eligible relative caretaker, or the spouses of any of the foregoing;
- (4) age;
- (5) immigration status, if related to eligibility;
- (6) Social Security number, if given;
- (7) income;
- (8) spousal support and child support payments made to persons outside the household;
- (9) residence; and
- (10) inconsistent information, if related to eligibility.

(b) If a family did not use the universal application or child care addendum to apply for child care assistance, the family must complete the universal application or child care addendum at its next eligibility redetermination and the county must verify the factors listed in paragraph (a) as part of that redetermination. Once a family has completed a universal application or child care addendum, the county shall use the redetermination form described in paragraph (c) for that family's subsequent redeterminations. Eligibility must be redetermined at least every six months. For a family where at least one parent is under the age of 21, does not have a high school or general equivalency diploma, and is a student in a school district or another similar program that provides or arranges for child care, as well as parenting, social services, career and employment supports, and academic support to achieve high school graduation, the redetermination of eligibility shall be deferred beyond six months, but not to exceed 12 months, to the end of the student's school year. If a family reports a change in an eligibility factor before the family's next regularly scheduled redetermination, the county must recalculate eligibility without requiring verification of any eligibility factor that did not change.

10.1 (c) The commissioner shall develop a redetermination form to redetermine eligibility
10.2 and a change report form to report changes that minimize paperwork for the county and
10.3 the participant.

10.4 (d) Families have the primary responsibility to verify information. A county must
10.5 consider the family's circumstances and ability to produce verification when initiating a
10.6 request for verification. If a family is unable to verify an eligibility factor, the county
10.7 must request written consent from the family to obtain verification from other sources. A
10.8 county may not request a specific form of verification if another is more readily available.
10.9 When verification of an eligibility factor other than income is not available despite the
10.10 efforts of the county and the family, the county must accept a signed statement from the
10.11 family attesting to the correctness of the information if one is provided. The county must
10.12 deny or end assistance to families who refuse or deliberately fail to verify information.

10.13 **EFFECTIVE DATE.** This section is effective October 15, 2010.

10.14 Sec. 2. Minnesota Statutes 2008, section 119B.09, subdivision 4, is amended to read:

10.15 Subd. 4. **Eligibility; annual income; calculation.** Annual income of the applicant
10.16 family is the current monthly income of the family multiplied by 12 or the income for
10.17 the 12-month period immediately preceding the date of application, or income calculated
10.18 by the method which provides the most accurate assessment of income available to the
10.19 family. Self-employment income must be calculated based on gross receipts less operating
10.20 expenses. Income must be recalculated when the family's income changes, but no less
10.21 often than every six months. For a family where at least one parent is under the age
10.22 of 21, does not have a high school or general equivalency diploma, and is a student in
10.23 a school district or another similar program that provides or arranges for child care,
10.24 as well as parenting, social services, career and employment supports, and academic
10.25 support to achieve high school graduation, income must be recalculated when the family's
10.26 income changes, but otherwise shall be deferred beyond six months, but not to exceed 12
10.27 months, to the end of the student's school year. Income must be verified with documentary
10.28 evidence. If the applicant does not have sufficient evidence of income, verification must
10.29 be obtained from the source of the income.

10.30 **EFFECTIVE DATE.** This section is effective October 15, 2010.

10.31 Sec. 3. **QUALITY RATING SYSTEM TRAINING, COACHING,**
10.32 **CONSULTATION, AND SUPPORTS.**

11.1 The commissioner of human services shall direct \$500,000 in federal child care
11.2 development funds used for grants under Minnesota Statutes, section 119B.21, in fiscal
11.3 year 2011 for the purpose of providing statewide child care provider training, coaching,
11.4 consultation, and supports to prepare for the voluntary Minnesota quality rating system.
11.5 This is a onetime appropriation. In addition, to the extent that private funds are made
11.6 available, the commissioner shall designate those funds for this purpose.

11.7 Sec. 4. **CHILD CARE ASSISTANCE REDETERMINATION OF ELIGIBILITY**
11.8 **AND INFORMATION VERIFICATION.**

11.9 The commissioner of human services shall use existing resources to implement
11.10 the changes in this bill related to child care assistance redetermination of eligibility and
11.11 information verification under Minnesota Statutes, sections 119B.025, subdivision 1, and
11.12 119B.09, subdivision 4.

11.13 Sec. 5. **CHILD CARE DEVELOPMENT FUND UNEXPENDED BALANCE.**

11.14 In addition to the amount provided in Laws 2009, chapter 79, article 13, section 3,
11.15 subdivision 4, paragraph (d), the commissioner shall carry over and expend in fiscal year
11.16 2011, \$7,500,000 of the TANF funds transferred in fiscal year 2010 which reflect the
11.17 child care and development fund unexpended balance for the basic sliding fee child care
11.18 assistance program under Minnesota Statutes, section 119B.03. The commissioner shall
11.19 ensure that all the funds are expended according to the federal child care and development
11.20 fund regulations relating to TANF transfers.

11.21 Sec. 6. **BASIC SLIDING FEE.**

11.22 The general fund appropriation for fiscal year 2011 for the basic sliding fee child
11.23 care program under Laws 2009, chapter 79, article 13, section 3, subdivision 4, paragraph
11.24 (d) is reduced by \$7,500,000.