

**SENATE**  
**STATE OF MINNESOTA**  
**NINETIETH SESSION**

**S.F. No. 3013**

(SENATE AUTHORS: EICHORN, Pratt, Wiger, Abeler and Franzen)

DATE	D-PG	OFFICIAL STATUS
03/05/2018	6278	Introduction and first reading
		Referred to E-12 Policy
03/29/2018	7039a	Comm report: To pass as amended and re-refer to E-12 Finance

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; modifying the administration of home-visiting programs; appropriating

1.5 money; amending Minnesota Statutes 2017 Supplement, section 124D.165,

1.6 subdivisions 2, 3; Laws 2017, First Special Session chapter 5, article 8, section

1.7 10, subdivision 4; Laws 2017, First Special Session chapter 6, article 18, section

1.8 3, subdivision 2.

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

1.10 Section 1. Minnesota Statutes 2017 Supplement, section 124D.165, subdivision 2, is

1.11 amended to read:

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

1.13 parents or guardians must meet the following eligibility requirements:

1.14 (1) have an eligible child; and

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

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

1.17 and reduced-price lunch program or Child and Adult Care Food Program, National School

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

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

1.20 2011-2036; Head Start under the federal Improving Head Start for School Readiness Act

1.21 of 2007; Minnesota family investment program under chapter 256J; child care assistance

1.22 programs under chapter 119B; the supplemental nutrition assistance program; or placement

1.23 in foster care under section 260C.212.

1.24 (b) An "eligible child" means a child who has not yet enrolled in kindergarten and is:

2.1 (1) ~~at least three but~~ not yet five years of age on September 1 of the current school year;  
 2.2 or

2.3 ~~(2) a sibling from birth to age five of a child who has been awarded a scholarship under~~  
 2.4 ~~this section provided the sibling attends the same program as long as funds are available;~~

2.5 ~~(3) the child of a parent under age 21 who is pursuing a high school degree or a course~~  
 2.6 ~~of study for a high school equivalency test; or~~

2.7 ~~(4)~~ (2) homeless, in foster care, or in need of child protective services.

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

2.11 (d) Early learning scholarships may not be counted as earned income for the purposes  
 2.12 of medical assistance under chapter 256B, MinnesotaCare under chapter 256L, Minnesota  
 2.13 family investment program under chapter 256J, child care assistance programs under chapter  
 2.14 119B, or Head Start under the federal Improving Head Start for School Readiness Act of  
 2.15 2007.

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

2.21 **EFFECTIVE DATE.** This section is effective July 1, 2018.

2.22 Sec. 2. Minnesota Statutes 2017 Supplement, section 124D.165, subdivision 3, is amended  
 2.23 to read:

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

2.28 (1) have a parent under age 21 who is pursuing a high school diploma or a course of  
 2.29 study for a high school equivalency test;

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

2.31 (3) have experienced homelessness in the last 24 months, as defined under the federal  
 2.32 McKinney-Vento Homeless Assistance Act, United States Code, title 42, section 11434a.

3.1 The commissioner may prioritize applications on additional factors including family  
3.2 income, geographic location, and whether the child's family is on a waiting list for a publicly  
3.3 funded program providing early education or child care services. To the extent practicable,  
3.4 and consistent with subdivision 2, paragraph (c), the commissioner must allocate half of  
3.5 the available funding for scholarships to eligible children from birth to age two.

3.6 (b) The commissioner shall establish a target for the average scholarship amount per  
3.7 child based on the results of the rate survey conducted under section 119B.02.

3.8 (c) A four-star rated program that has children eligible for a scholarship enrolled in or  
3.9 on a waiting list for a program beginning in July, August, or September may notify the  
3.10 commissioner, in the form and manner prescribed by the commissioner, each year of the  
3.11 program's desire to enhance program services or to serve more children than current funding  
3.12 provides. The commissioner may designate a predetermined number of scholarship slots  
3.13 for that program and notify the program of that number. For fiscal year 2018 and later, the  
3.14 statewide amount of funding directly designated by the commissioner must not exceed the  
3.15 funding directly designated for fiscal year 2017. Beginning July 1, 2016, a school district  
3.16 or Head Start program qualifying under this paragraph may use its established registration  
3.17 process to enroll scholarship recipients and may verify a scholarship recipient's family  
3.18 income in the same manner as for other program participants.

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

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

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

3.33 **EFFECTIVE DATE.** This section is effective July 1, 2018.

4.1 Sec. 3. Laws 2017, First Special Session chapter 5, article 8, section 10, subdivision 4, is  
4.2 amended to read:

4.3 Subd. 4. **Early learning scholarships.** (a) For the early learning scholarship program  
4.4 under Minnesota Statutes, section 124D.165:

4.5 \$ 70,209,000 ..... 2018

4.6 ~~70,209,000~~

4.7 \$ ..... 2019

4.8 (b) Up to \$950,000 each year is for administration of this program.

4.9 (c) Any balance in the first year does not cancel but is available in the second year.

4.10 (d) The base for fiscal year 2020 is ~~\$70,709,000~~ \$......

4.11 (e) Of the amount in 2019, ... percent in each year is for transfer to the commissioner of  
4.12 human services for the quality rating and improvement system under Minnesota Statutes,  
4.13 section 124D.142. The amount transferred under this paragraph must be reduced by the  
4.14 amount of any federal funding under the child care and development block grant authorized  
4.15 under Public Law 101-508 in that year for the system under Minnesota Statutes, section  
4.16 124D.142.

4.17 Sec. 4. Laws 2017, First Special Session chapter 6, article 18, section 3, subdivision 2, is  
4.18 amended to read:

4.19 Subd. 2. **Health Improvement**

4.20 Appropriations by Fund

4.21 General 81,438,000 78,100,000

4.22 State Government

4.23 Special Revenue 6,215,000 6,182,000

4.24 Health Care Access 36,643,000 36,258,000

4.25 Federal TANF 11,713,000 11,713,000

4.26 (a) **TANF Appropriations.** (1) \$3,579,000  
4.27 of the TANF fund each year is for home  
4.28 visiting and nutritional services listed under  
4.29 Minnesota Statutes, section 145.882,  
4.30 subdivision 7, clauses (6) and (7). Funds must  
4.31 be distributed to community health boards  
4.32 according to Minnesota Statutes, section  
4.33 145A.131, subdivision 1.

5.1 (2) \$2,000,000 of the TANF fund each year  
5.2 is for decreasing racial and ethnic disparities  
5.3 in infant mortality rates under Minnesota  
5.4 Statutes, section 145.928, subdivision 7.

5.5 (3) \$4,978,000 of the TANF fund each year  
5.6 is for the family home visiting grant program  
5.7 according to Minnesota Statutes, section  
5.8 145A.17. \$4,000,000 of the funding must be  
5.9 distributed to community health boards  
5.10 according to Minnesota Statutes, section  
5.11 145A.131, subdivision 1. \$978,000 of the  
5.12 funding must be distributed to tribal  
5.13 governments according to Minnesota Statutes,  
5.14 section 145A.14, subdivision 2a.

5.15 (4) \$1,156,000 of the TANF fund each year  
5.16 is for family planning grants under Minnesota  
5.17 Statutes, section 145.925.

5.18 (5) The commissioner may use up to 6.23  
5.19 percent of the funds appropriated each year to  
5.20 conduct the ongoing evaluations required  
5.21 under Minnesota Statutes, section 145A.17,  
5.22 subdivision 7, and training and technical  
5.23 assistance as required under Minnesota  
5.24 Statutes, section 145A.17, subdivisions 4 and  
5.25 5.

5.26 (b) **TANF Carryforward.** Any unexpended  
5.27 balance of the TANF appropriation in the first  
5.28 year of the biennium does not cancel but is  
5.29 available for the second year.

5.30 (c) ~~Evidence-Based Home Visiting to~~  
5.31 **Pregnant Women and Families with Young**  
5.32 **Children.** \$6,000,000 in fiscal year 2018 and  
5.33 ~~\$6,000,000~~ \$..... in fiscal year 2019 are from  
5.34 the general fund to start up or expand

6.1 ~~evidence-based~~ home visiting programs to  
6.2 pregnant women and families with young  
6.3 children. The commissioner shall award grants  
6.4 to community health boards, nonprofits, or  
6.5 tribal nations in urban and rural areas of the  
6.6 state. Grant funds must be used to start up or  
6.7 expand evidence-based or targeted home  
6.8 visiting programs in the county, reservation,  
6.9 or region to serve families, such as parents  
6.10 with high risk or high needs, parents with a  
6.11 history of mental illness, domestic abuse, or  
6.12 substance abuse, or first-time mothers  
6.13 prenatally until the child is four years of age,  
6.14 who are eligible for medical assistance under  
6.15 Minnesota Statutes, chapter 256B, or the  
6.16 federal Special Supplemental Nutrition  
6.17 Program for Women, Infants, and Children.  
6.18 For fiscal year 2019, the commissioner shall  
6.19 allocate at least 75 percent of the grant funds  
6.20 not yet awarded to evidence-based home  
6.21 visiting programs and up to 25 percent to other  
6.22 targeted home visiting programs in order to  
6.23 promote innovation and serve high-need  
6.24 families. Priority for grants to rural areas shall  
6.25 be given to community health boards,  
6.26 nonprofits, and tribal nations that expand  
6.27 services within regional partnerships that  
6.28 provide the ~~evidence-based~~ home visiting  
6.29 programs. This funding shall only be used to  
6.30 supplement, not to replace, funds being used  
6.31 for evidence-based or targeted home visiting  
6.32 services as of June 30, 2017. Up to seven  
6.33 percent of the appropriation may be used for  
6.34 training, technical assistance, evaluation, and  
6.35 other costs to administer the grants. The  
6.36 general fund base for this program is

7.1 \$16,500,000 in fiscal year 2020 and

7.2 \$16,500,000 in fiscal year 2021.

7.3 **(d) Safe Harbor for Sexually Exploited**

7.4 **Youth Services.** \$250,000 in fiscal year 2018

7.5 and \$250,000 in fiscal year 2019 are from the

7.6 general fund for trauma-informed, culturally

7.7 specific services for sexually exploited youth.

7.8 Youth 24 years of age or younger are eligible

7.9 for services under this paragraph.

7.10 **(e) Safe Harbor Program Technical**

7.11 **Assistance and Evaluation.** \$200,000 in

7.12 fiscal year 2018 and \$200,000 in fiscal year

7.13 2019 are from the general fund for training,

7.14 technical assistance, protocol implementation,

7.15 and evaluation activities related to the safe

7.16 harbor program. Of these amounts:

7.17 (1) \$90,000 each fiscal year is for providing

7.18 training and technical assistance to individuals

7.19 and organizations that provide safe harbor

7.20 services and receive funds for that purpose

7.21 from the commissioner of human services or

7.22 commissioner of health;

7.23 (2) \$90,000 each fiscal year is for protocol

7.24 implementation, which includes providing

7.25 technical assistance in establishing best

7.26 practices-based systems for effectively

7.27 identifying, interacting with, and referring

7.28 sexually exploited youth to appropriate

7.29 resources; and

7.30 (3) \$20,000 each fiscal year is for program

7.31 evaluation activities in compliance with

7.32 Minnesota Statutes, section 145.4718.

7.33 **(f) Promoting Safe Harbor Capacity.** In

7.34 funding services and activities under

8.1 paragraphs (d) and (e), the commissioner shall  
8.2 emphasize activities that promote  
8.3 capacity-building and development of  
8.4 resources in greater Minnesota.

8.5 **(g) Administration of Safe Harbor**  
8.6 **Program.** \$60,000 in fiscal year 2018 and  
8.7 \$60,000 in fiscal year 2019 are for  
8.8 administration of the safe harbor for sexually  
8.9 exploited youth program.

8.10 **(h) Palliative Care Advisory Council.**  
8.11 \$44,000 in fiscal year 2018 and \$44,000 in  
8.12 fiscal year 2019 are from the general fund for  
8.13 the Palliative Care Advisory Council under  
8.14 Minnesota Statutes, section 144.059. This is  
8.15 a onetime appropriation.

8.16 **(i) Transfer; Minnesota Biomedicine and**  
8.17 **Bioethics Innovation Grants.** \$2,500,000 in  
8.18 fiscal year 2018 is from the general fund for  
8.19 transfer to the Board of Regents of the  
8.20 University of Minnesota for Minnesota  
8.21 biomedicine and bioethics innovation grants  
8.22 under Minnesota Statutes, section 137.67. The  
8.23 full amount of the appropriation is for grants,  
8.24 and the University of Minnesota shall not use  
8.25 any portion for administrative or monitoring  
8.26 expenses. The steering committee of the  
8.27 University of Minnesota and Mayo Foundation  
8.28 partnership must submit a preliminary report  
8.29 by April 1, 2018, and a final report by April  
8.30 1, 2019, on all grant activities funded under  
8.31 Minnesota Statutes, section 137.67, to the  
8.32 chairs and ranking minority members of the  
8.33 legislative committees with jurisdiction over  
8.34 health and human services finance. This is a

9.1 onetime appropriation and is available until  
9.2 June 30, 2021.

9.3 **(j) Statewide Strategic Plan for Victims of**  
9.4 **Sex Trafficking.** \$73,000 in fiscal year 2018  
9.5 is from the general fund for the development  
9.6 of a comprehensive statewide strategic plan  
9.7 and report to address the needs of sex  
9.8 trafficking victims statewide. This is a onetime  
9.9 appropriation.

9.10 **(k) Home and Community-Based Services**  
9.11 **Employee Scholarship Program.** \$500,000  
9.12 in fiscal year 2018 and \$500,000 in fiscal year  
9.13 2019 are from the general fund for the home  
9.14 and community-based services employee  
9.15 scholarship program under Minnesota Statutes,  
9.16 section 144.1503.

9.17 **(l) Comprehensive Advanced Life Support**  
9.18 **Educational Program.** \$100,000 in fiscal  
9.19 year 2018 and \$100,000 in fiscal year 2019  
9.20 are from the general fund for the  
9.21 comprehensive advanced life support  
9.22 educational program under Minnesota Statutes,  
9.23 section 144.6062. This is a onetime  
9.24 appropriation.

9.25 **(m) Opioid Abuse Prevention.** \$1,028,000  
9.26 in fiscal year 2018 is to establish and evaluate  
9.27 accountable community for health opioid  
9.28 abuse prevention pilot projects. \$28,000 of  
9.29 this amount is for administration. This is a  
9.30 onetime appropriation and is available until  
9.31 June 30, 2021.

9.32 **(n) Advanced Care Planning.** \$250,000 in  
9.33 fiscal year 2018 and \$250,000 in fiscal year  
9.34 2019 are from the general fund for a grant to

10.1 a statewide advanced care planning resource  
10.2 organization that has expertise in convening  
10.3 and coordinating community-based strategies  
10.4 to encourage individuals, families, caregivers,  
10.5 and health care providers to begin  
10.6 conversations regarding end-of-life care  
10.7 choices that express an individual's health care  
10.8 values and preferences and are based on  
10.9 informed health care decisions. Of this  
10.10 amount, \$9,000 each year is for administration.  
10.11 This is a onetime appropriation.

10.12 **(o) Health Professionals Clinical Training**  
10.13 **Expansion Grant Program.** \$526,000 in  
10.14 fiscal year 2018 and \$526,000 in fiscal year  
10.15 2019 are from the general fund for the primary  
10.16 care and mental health professions clinical  
10.17 training expansion grant program under  
10.18 Minnesota Statutes, section 144.1505. Of this  
10.19 amount, \$26,000 each year is for  
10.20 administration.

10.21 **(p) Federally Qualified Health Centers.**  
10.22 \$500,000 in fiscal year 2018 and \$500,000 in  
10.23 fiscal year 2019 are from the general fund to  
10.24 provide subsidies to federally qualified health  
10.25 centers under Minnesota Statutes, section  
10.26 145.9269. This is a onetime appropriation.

10.27 **(q) Base Level Adjustments.** The general  
10.28 fund base is \$87,656,000 in fiscal year 2020  
10.29 and \$87,706,000 in fiscal year 2021. The  
10.30 health care access fund base is \$36,858,000  
10.31 in fiscal year 2020 and \$36,258,000 in fiscal  
10.32 year 2021.