



## LEGISLATIVE UPDATE | JANUARY 31, 2017

We'll post the [Legislative Update and Bill Tracker](#) on the Child Care Aware of Minnesota website each Tuesday to reflect the activity through the previous Friday. You can read a brief overview of introduced bills, committee level or floor action, and other news related to **early care and education and school age care**. If you have questions or additions to recommend, please email Ann McCully at: [AnnM@childcareawaremn.org](mailto:AnnM@childcareawaremn.org).

### COMMITTEE ACTIVITY

- **Jan. 25:** The **House Education Finance** Committee met to review the Governor's Education budget proposal
- **Jan. 25:** The **Senate E-12 Finance** Committee also reviewed the Governor's Education budget proposal
- **Jan. 25:** The **House Subcommittee on Child Care Access and Affordability**-received an overview of the CCDF reauthorization requirements and related elements of the Governor's budget proposal
- **Jan. 26:** The **Senate Focus on Five and Under working group** held the first of an anticipated four meetings to hear more about services that impact children ages 0-5, and seek ways to better coordinate these efforts

### BILL INTRODUCTIONS

For more information about each bill, please download our weekly Bill Tracker. This list includes topics and numbers for bills introduced through **Jan. 27, 2017**:

- Dependent care credit modified (**HF 64-Bernardy/SF 212-Laine**)
- Child care assistance subsidy restrictions modified (**HF 139-Knoblach/SF 381-Relph**)
- Appropriating money for grants to full-service community schools (**HF 146-Davnie/ SF 7-Wiger**)
- Basic sliding fee child care programs modified, eligibility for Early Learning Scholarship modified, system redesign provided, and money appropriated (**HF 219-Moran**)
- Establishing a Working Parents Act (**HF 239-Thissen**)
- Loan forgiveness program for individuals working in greater Minnesota established (**HF 319-Lien/SF 109-Eken**)
- Refundable student loan credit allowed (**HF 365-Applebaum/SF 165- Clausen**)
- Community education revenue program increase (**SF 204-Latz**)
- Pre-kindergarten education program donation credit provided, districts required to accept Scholarships funded by donations, and report required (**HF 388-Kresha**)
- Early learning scholarship program administration modification; predetermined qualifying programs scholarships designation prohibition (**SF 389-Nelson**)
- Working family income tax credit modification (**HF 516-Loeffler/SF 28-Rest**)
- Child and Adult Care Food Program administration by the Health Department provided (**HF 547-Fenton**)

## GOVERNOR'S STATE OF THE STATE ADDRESS

Governor Dayton gave his annual State of the State address on **Monday, Jan. 23**. Although his speech was cut short due to a fainting spell, he did make several remarks addressing the issue of early care and education, including these:

*"...But we cannot expect our schools to be successful, or our economy to flourish, if we fail our kids before they even enter their classrooms. That is why the most essential component of a successful education strategy – and our highest priority – must be to improve early learning opportunities for ALL of Minnesota's youngest children. The best way to close the Achievement Gap is to stop it before it begins.*

*The good news is that we have made great progress already. But those gains aren't yet enough.*

*When I ran for office, I promised to expand state-funded Kindergarten to serve all of Minnesota's five year-olds. Today, because of legislative support in 2013, over 55,000 children are attending all-day K, and we have tremendous results to show for it. But the research says that, to be most effective, we need to start even earlier to improve young children's lives.*

*The legislature deserves credit for increasing state support for quality childcare and supportive family services during the past six years. Last year, you provided the first state funding for pre-kindergarten school programs, which was immediately oversubscribed by eager school districts, and now benefits 3,300 Minnesota four-year-olds. Combined with 26,700 early learning scholarships, more Minnesota children are getting the better starts they need today for their better tomorrows.*

*...But we must do more to support our young children all over our state. That is why, in my budget, I will propose further increases in state funding for quality child care, for pre-kindergarten, and for other early childhood enhancements, such as visiting nurses for teen parents.*

*They will all help to ensure that every child starting kindergarten has a decent chance to be a successful student and to become a healthy, productive adult."*

## GOVERNOR'S BUDGET PROPOSAL

Governor Dayton released his budget proposal on **Tuesday, Jan. 24**. More details are available at the [Minnesota Management and Budget website](#). Here is a summary of the items related to early care/school-age care and education:

### DEPARTMENT OF HUMAN SERVICES BUDGET

- **Child Care Assistance Program Improvements:** Effective beginning in fiscal year 2018, the Governor recommends investments of **\$73.5 million in FY2018-19 and \$100.2 million in FY2020-21** to improve the Child Care Assistance Program (CCAP). These investments support family stability and improve the safety and school readiness of children served in child care settings across the state. These investments also comply with new federal requirements.
- **Child Care Assistance Program Integrity Changes (saves \$17 million in FY 2018-19; Saves \$32M in 2020-21):** Effective beginning in SFY 2018, the Governor recommends changes to the Child Care Assistance Program (CCAP) that will improve program integrity and help ensure that existing resources go to eligible families. These changes are intended to address program integrity concerns including recipient potential fraud and misuse, provider fraud, and administrative errors.

- **CCDBG Licensing and Background Study Compliance (\$11.1 Million in FY2018-19; \$10.3M in 2020-21):** The Governor recommends changes to child care health, safety, and licensing requirements necessary to meet the federal requirements set forth by the 2014 federal Child Care and Development Block Grant (CCDBG) Act.
- **Child Care Financial Fraud and Abuse Investigations Expansion (Saves \$460,000 in FY 2018-19; saves \$514,000 in 2020-21):** The Governor recommends expanding the two investigative sections of the Office of the Inspector General (OIG) that investigate 1) Medical Assistance (MA) providers and 2) **Child Care providers** to prevent and intervene in fraud and abuse.

#### **DEPARTMENT OF EDUCATION BUDGET**

- **Voluntary Pre-Kindergarten Expansion (\$74.8 million in FY 2018-19; \$109.1 million in FY 2020-21):** Beginning in FY 2018, this proposal would replace the state aid entitlement dollar limits on funding for the program with a limit of 8,300 participants for FY 2018 and an annual increase of 1,000 participants over the FY 2018 limit for FY 2019 and later years.
- **Full Service Community Schools Program (\$2 million in FY 2018-19; \$2 million in FY 2020-21):** The Governor recommends providing the Minnesota Department of Education (MDE) with \$1 million per year to expand the Full Service Community Schools Program grants in order to reach more children and improve the quality and outcomes of the services provided.
- **Help Me Grow (\$3 million in 2018-19; \$3 million in FY 2020-21):** The Governor recommends building upon the current Help Me Grow system to develop a comprehensive, statewide, coordinated system of early identification, referral and follow-up for young children and their families from birth to grade three who could benefit from the components of Help Me Grow.
- **Education Partnership Pilot & Transformation Zone Expansion (\$1 million in 2018-19; \$1 million in 2020-21):** The Governor recommends an additional \$500,000 annually to support the continuation of the Education Partnership Pilots [Northside Achievement Zone; Northfield Promise; Every Hand Joined (Red Wing); Partner for Student Success (St. Cloud); and St. Paul Promise Neighborhood] and fund the remaining two Race to the Top – Early Learning Challenge grant Transformation Zones (White Earth Reservation and Itasca County).
- **Early Learning Scholarships (\$0-policy change only):** The Governor recommends expanding Early Learning Scholarships access to ages zero to five. In order to support children’s early development and learning, the Governor seeks to continue increase access to high-quality early care and education programs for young children birth through kindergarten entrance.

#### **DEPARTMENT OF HEALTH**

- **Home Visiting for Pregnant and Parenting Teens (\$31 million in FY 2018-19; \$50 million in 2020-21)-**The Governor recommends providing home visiting services to pregnant and parenting teens under age 20 in Minnesota. Teen parents and their children are at particularly high risk for poor maternal and child outcomes.

## OFFICE OF HIGHER EDUCATION

- **Teacher Workforce (\$5 million in FY 2018-19; \$5 million in 2020-21)** The Governor recommends investing \$5 million in FY18-19 towards a competitive grant program to postsecondary institutions to diversify and increase the state's E-12 teacher workforce. Funds would be used to identify, recruit, counsel, and financially support students who enroll and complete programs leading to teaching licensure, particularly in shortage licensure areas. The program will also provide financial assistance to eligible students attending these institutions.