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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. **1024**

02/11/2021 Authored by Pinto, Kotyza-Witthuhn, Long, Boldon, Freiberg and others
The bill was read for the first time and referred to the Committee on Early Childhood Finance and Policy
02/22/2021 Adoption of Report: Re-referred to the Committee on Education Finance
02/25/2021 Adoption of Report: Amended and re-referred to the Committee on Human Services Finance and Policy

1.1 A bill for an act
1.2 relating to early childhood care and learning; establishing a Department of Early
1.3 Childhood; authorizing rulemaking; amending Minnesota Statutes 2020, sections
1.4 15.01; 15.06, subdivision 1; 15A.0815, subdivision 2; 43A.08, subdivision 1a;
1.5 proposing coding for new law as Minnesota Statutes, chapter 119C.

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

1.7 Section 1. Minnesota Statutes 2020, section 15.01, is amended to read:

1.8 **15.01 DEPARTMENTS OF THE STATE.**

1.9 The following agencies are designated as the departments of the state government: the
1.10 Department of Administration; the Department of Agriculture; the Department of Commerce;
1.11 the Department of Corrections; the Department of Early Childhood; the Department of
1.12 Education; the Department of Employment and Economic Development; the Department
1.13 of Health; the Department of Human Rights; the Department of Iron Range Resources and
1.14 Rehabilitation; the Department of Labor and Industry; the Department of Management and
1.15 Budget; the Department of Military Affairs; the Department of Natural Resources; the
1.16 Department of Public Safety; the Department of Human Services; the Department of
1.17 Revenue; the Department of Transportation; the Department of Veterans Affairs; and their
1.18 successor departments.

1.19 **EFFECTIVE DATE.** This section is effective July 1, 2023.

1.20 Sec. 2. Minnesota Statutes 2020, section 15.06, subdivision 1, is amended to read:

1.21 Subdivision 1. **Applicability.** This section applies to the following departments or
1.22 agencies: the Departments of Administration, Agriculture, Commerce, Corrections, Early

2.1 Childhood, Education, Employment and Economic Development, Health, Human Rights,
2.2 Labor and Industry, Management and Budget, Natural Resources, Public Safety, Human
2.3 Services, Revenue, Transportation, and Veterans Affairs; the Housing Finance and Pollution
2.4 Control Agencies; the Office of Commissioner of Iron Range Resources and Rehabilitation;
2.5 the Office of MN.IT Services; the Bureau of Mediation Services; and their successor
2.6 departments and agencies. The heads of the foregoing departments or agencies are
2.7 "commissioners."

2.8 **EFFECTIVE DATE.** This section is effective July 1, 2023.

2.9 Sec. 3. Minnesota Statutes 2020, section 15A.0815, subdivision 2, is amended to read:

2.10 Subd. 2. **Group I salary limits.** The salary for a position listed in this subdivision shall
2.11 not exceed 133 percent of the salary of the governor. This limit must be adjusted annually
2.12 on January 1. The new limit must equal the limit for the prior year increased by the percentage
2.13 increase, if any, in the Consumer Price Index for all urban consumers from October of the
2.14 second prior year to October of the immediately prior year. The commissioner of management
2.15 and budget must publish the limit on the department's website. This subdivision applies to
2.16 the following positions:

2.17 Commissioner of administration;

2.18 Commissioner of agriculture;

2.19 Commissioner of early childhood;

2.20 Commissioner of education;

2.21 Commissioner of commerce;

2.22 Commissioner of corrections;

2.23 Commissioner of health;

2.24 Commissioner, Minnesota Office of Higher Education;

2.25 Commissioner, Housing Finance Agency;

2.26 Commissioner of human rights;

2.27 Commissioner of human services;

2.28 Commissioner of labor and industry;

2.29 Commissioner of management and budget;

2.30 Commissioner of natural resources;

- 3.1 Commissioner, Pollution Control Agency;
- 3.2 Commissioner of public safety;
- 3.3 Commissioner of revenue;
- 3.4 Commissioner of employment and economic development;
- 3.5 Commissioner of transportation; and
- 3.6 Commissioner of veterans affairs.

3.7 **EFFECTIVE DATE.** This section is effective July 1, 2023.

3.8 Sec. 4. Minnesota Statutes 2020, section 43A.08, subdivision 1a, is amended to read:

3.9 Subd. 1a. **Additional unclassified positions.** Appointing authorities for the following
3.10 agencies may designate additional unclassified positions according to this subdivision: the
3.11 Departments of Administration; Agriculture; Commerce; Corrections; Early Childhood;
3.12 Education; Employment and Economic Development; Explore Minnesota Tourism;
3.13 Management and Budget; Health; Human Rights; Labor and Industry; Natural Resources;
3.14 Public Safety; Human Services; Revenue; Transportation; and Veterans Affairs; the Housing
3.15 Finance and Pollution Control Agencies; the State Lottery; the State Board of Investment;
3.16 the Office of Administrative Hearings; the Office of MN.IT Services; the Offices of the
3.17 Attorney General, Secretary of State, and State Auditor; the Minnesota State Colleges and
3.18 Universities; the Minnesota Office of Higher Education; the Perpich Center for Arts
3.19 Education; and the Minnesota Zoological Board.

3.20 A position designated by an appointing authority according to this subdivision must
3.21 meet the following standards and criteria:

3.22 (1) the designation of the position would not be contrary to other law relating specifically
3.23 to that agency;

3.24 (2) the person occupying the position would report directly to the agency head or deputy
3.25 agency head and would be designated as part of the agency head's management team;

3.26 (3) the duties of the position would involve significant discretion and substantial
3.27 involvement in the development, interpretation, and implementation of agency policy;

3.28 (4) the duties of the position would not require primarily personnel, accounting, or other
3.29 technical expertise where continuity in the position would be important;

4.1 (5) there would be a need for the person occupying the position to be accountable to,
4.2 loyal to, and compatible with, the governor and the agency head, the employing statutory
4.3 board or commission, or the employing constitutional officer;

4.4 (6) the position would be at the level of division or bureau director or assistant to the
4.5 agency head; and

4.6 (7) the commissioner has approved the designation as being consistent with the standards
4.7 and criteria in this subdivision.

4.8 **EFFECTIVE DATE.** This section is effective July 1, 2023.

4.9 Sec. 5. **[119C.01] DEPARTMENT OF EARLY CHILDHOOD.**

4.10 The Department of Early Childhood is established. The goal in creating the department
4.11 is to ensure, in support of families, that every child, from birth through the age of five,
4.12 receives an equitable and comprehensive opportunity to reach their full potential.

4.13 **EFFECTIVE DATE.** This section is effective July 1, 2023.

4.14 Sec. 6. **[119C.02] DEFINITIONS.**

4.15 Subdivision 1. **Application.** The definitions in this section apply to this chapter.

4.16 Subd. 2. **Commissioner.** "Commissioner" means the commissioner of early childhood.

4.17 Subd. 3. **Department.** "Department" means the Department of Early Childhood.

4.18 **EFFECTIVE DATE.** This section is effective July 1, 2023.

4.19 Sec. 7. **[119C.03] COMMISSIONER.**

4.20 Subdivision 1. **General.** The department is under the administrative control of the
4.21 commissioner. The commissioner is appointed by the governor with the advice and consent
4.22 of the senate. The commissioner must possess broad knowledge and experience in early
4.23 childhood care and education. The commissioner has the general powers as provided in
4.24 section 15.06, subdivision 6. The commissioner's salary must be established according to
4.25 the procedure in section 15A.0815, subdivision 5, in the same range as that specified for
4.26 the commissioner of management and budget.

4.27 Subd. 2. **Duties of the commissioner.** (a) The commissioner shall apply for, and accept
4.28 on behalf of the state, any federal, local, or private grants, bequests, gifts, or contributions
4.29 to aid in the financing of any of the programs or policies of the department.

5.1 (b) The commissioner must develop program objectives in support of the goal identified
5.2 in section 119C.01, as well as performance measures for evaluating progress toward achieving
5.3 such objectives, and the commissioner must identify the objectives and performance measures
5.4 in a report to the committees of the legislature having jurisdiction over early childhood
5.5 programs by January 15, 2024. The program objectives and performance measures must
5.6 address a variety of issues, including but not limited to:

5.7 (1) increasing the effectiveness of the department's programs in addressing the needs of
5.8 children facing racial inequities;

5.9 (2) ensuring that children participating in the department's programs will be
5.10 kindergarten-ready, with race, income, and zip code no longer predictors of school readiness;

5.11 (3) increasing coordination, and reducing inefficiencies, among the department's programs
5.12 and the funding streams that support them;

5.13 (4) improving articulation between the department's programs and the kindergarten
5.14 through grade 12 system; and

5.15 (5) minimizing the effort required of families to receive services to which they are
5.16 entitled.

5.17 (c) Beginning January 15, 2025, the commissioner must report biennially to the
5.18 committees of the legislature having jurisdiction over early childhood programs. Each report
5.19 must include the following:

5.20 (1) an analysis of the effectiveness of the department's programs in achieving the goal
5.21 identified in section 119C.01, with reference to the program objectives and performance
5.22 measures identified in paragraph (b); and

5.23 (2) a description of how the department is effectively coordinating and creating
5.24 efficiencies among early childhood care and education programs, as well as the funding
5.25 streams that support the programs, to ensure continued program development and financial
5.26 accountability.

5.27 (d) The commissioner must ensure the department develops a plan to develop regional
5.28 hubs that will help carry out the duties and programs of the department. The hubs must be
5.29 organized and operated so as to provide guidance to the department as to the specific needs
5.30 of the communities in the region. The plan must be given to committees of the legislature
5.31 with jurisdiction over early childhood programs by January 15, 2025.

5.32 **EFFECTIVE DATE.** This section is effective July 1, 2023.

6.1 Sec. 8. **[119C.04] TRANSFERS FROM OTHER AGENCIES.**

6.2 Subdivision 1. **General.** Beginning on July 1, 2023, the Departments of Health, Human
6.3 Services, and Education must begin to transition all of the powers and duties held by these
6.4 departments in areas related to the programs identified in this section to the department.
6.5 The commissioner of administration must issue reorganization orders under section 16B.37
6.6 as necessary to facilitate the transfers required by this section.

6.7 Subd. 2. **Department of Human Services.** (a) The powers and duties of the Department
6.8 of Human Services with respect to the following programs are transferred to the Department
6.9 of Early Childhood under section 15.039:

6.10 (1) the child care assistance program under sections 119B.011 to 119B.16;

6.11 (2) the child care service grants under sections 119B.189 to 119B.26;

6.12 (3) the child care resource and referral program under section 119B.19;

6.13 (4) the family services and community-based collaboratives program under section
6.14 124D.23;

6.15 (5) the licensure of child care centers and family child care under chapter 245A;

6.16 (6) child care assistance fraud investigations under chapter 245E;

6.17 (7) the certification of license-exempt child care centers under chapter 245H;

6.18 (8) the migrant child care program under section 256.01; and

6.19 (9) the early childhood learning and child protection facilities program under section
6.20 256E.37.

6.21 (b) The programs needing federal approval to transfer shall be transferred when the
6.22 federal government grants transfer authority to the commissioner.

6.23 Subd. 3. **Department of Education.** (a) The powers and duties of the Department of
6.24 Education with respect to the following programs are transferred to the Department of Early
6.25 Childhood under section 15.039:

6.26 (1) the Head Start program under sections 119A.50 to 119A.545;

6.27 (2) the early childhood screening program under sections 121A.16 to 121A.19;

6.28 (3) the educate parents partnership under section 124D.129;

6.29 (4) the early childhood family education program under sections 124D.13 to 124D.135;

7.1 (5) the State Advisory Council on Early Childhood Education and Care under section
7.2 124D.141;

7.3 (6) the quality rating and improvement system under section 124D.142;

7.4 (7) the school readiness program under sections 124D.15 and 124D.16;

7.5 (8) the voluntary prekindergarten program under section 124D.151;

7.6 (9) the kindergarten readiness assessment under section 124D.162;

7.7 (10) the early learning scholarships program under section 124D.165;

7.8 (11) the interagency early childhood intervention system under sections 125A.259 to
7.9 125A.48;

7.10 (12) the parent-child home program under Laws 2019, First Special Session chapter 11,
7.11 article 8, section 13; and

7.12 (13) the school readiness plus program under Laws 2017, First Special Session chapter
7.13 5, article 8, section 9.

7.14 (b) The programs needing federal approval to transfer shall be transferred when the
7.15 federal government grants transfer authority to the commissioner.

7.16 Subd. 4. **Department of Health.** (a) The powers and duties of the Department of Health
7.17 with respect to the following programs are transferred to the Department of Early Childhood
7.18 under section 15.039:

7.19 (1) the family home visiting program under section 145A.17;

7.20 (2) evidence-based home visiting under Laws 2017, First Special Session chapter 6,
7.21 article 18, section 3;

7.22 (3) grants for nurse-family partnership programs under Laws 2015, chapter 71, article
7.23 14, section 2; and

7.24 (4) administration of the Maternal, Infant, and Early Childhood Home Visiting Program
7.25 under United States Code, title 42, section 711.

7.26 (b) A program needing federal approval to transfer shall be transferred when the federal
7.27 government grants transfer authority to the commissioner.

7.28 **EFFECTIVE DATE.** This section is effective July 1, 2023.

8.1 Sec. 9. **EMPLOYEE PROVISIONS.**

8.2 The restructuring of agencies under this act must be conducted in accordance with
8.3 Minnesota Statutes, sections 15.039 and 43A.045.

8.4 **EFFECTIVE DATE.** This section is effective July 1, 2023.

8.5 Sec. 10. **PROCESS.**

8.6 Subdivision 1. **Appointment.** By January 15, 2023, the governor shall appoint a
8.7 commissioner-designee of the Department of Early Childhood. The person appointed
8.8 becomes the governor's appointee as commissioner of early childhood on the effective date
8.9 of sections 1 and 3.

8.10 Subd. 2. **Transfer of power and duties.** The commissioner-designee, in cooperation
8.11 with the commissioners of education, health, and human services, shall review and reevaluate
8.12 the powers and duties of the Departments of Education, Health, and Human Services and
8.13 identify those that are consistent with the purpose and goal of the Department of Early
8.14 Childhood. The functions identified by the commissioner-designee are transferred to the
8.15 Department of Early Childhood under Minnesota Statutes, section 15.039, effective July 1,
8.16 2023.

8.17 Subd. 3. **Executive support.** The commissioner of Minnesota Management and Budget
8.18 shall provide financial and administrative support for the work of the commissioner-designee,
8.19 including in securing a physical location for the Department of Early Childhood, until the
8.20 department is established.

8.21 **EFFECTIVE DATE.** This section is effective January 1, 2023.

8.22 Sec. 11. **REVISOR INSTRUCTION.**

8.23 The revisor of statutes must identify, in cooperation with the Department of Early
8.24 Childhood and other nonpartisan legislative offices, all cross-references in Minnesota
8.25 Statutes to programs being transferred under this act. By February 1, 2024, the revisor of
8.26 statutes must submit to the chairs and ranking minority members of the legislative committees
8.27 and divisions with jurisdiction over early childhood policy and finance draft legislation with
8.28 the statutory changes necessary to reflect the correct cross-references.

8.29 **EFFECTIVE DATE.** This section is effective July 1, 2023.

9.1 Sec. 12. **RULEMAKING.**

9.2 The commissioner of early childhood must amend Minnesota Rules to make conforming
9.3 changes related to the transfer of duties under this act. The commissioner may use the good
9.4 cause exemption under Minnesota Statutes, section 14.388, subdivision 1, clause (3), to
9.5 adopt rules under this section, and Minnesota Statutes, section 14.386, does not apply except
9.6 as provided under Minnesota Statutes, section 14.388.

9.7 **EFFECTIVE DATE.** This section is effective July 1, 2023.