

**SENATE
STATE OF MINNESOTA
NINETY-FIRST SESSION**

S.F. No. 1306

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DATE D-PG OFFICIAL STATUS
02/14/2019 Introduction and first reading
Referred to E-12 Finance and Policy

1.1 A bill for an act
1.2 relating to education; modifying child and program eligibility for early learning
1.3 scholarships; modifying the commissioner's authority to designate early learning
1.4 scholarships for certain programs; clarifying the early childhood screening
1.5 requirements for children awarded an early learning scholarship; appropriating
1.6 money for early learning scholarships; amending Minnesota Statutes 2018, section
1.7 124D.165, subdivisions 2, 3, 4.

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

1.9 Section 1. Minnesota Statutes 2018, section 124D.165, subdivision 2, is amended to read:

1.10 Subd. 2. **Family eligibility.** (a) For a family to receive an early learning scholarship,
1.11 parents or guardians must meet the following eligibility requirements:

1.12 (1) have an eligible child; and

1.13 (2) have income equal to or less than 185 percent of federal poverty level income in the
1.14 current calendar year, or be able to document their child's current participation in the free
1.15 and reduced-price lunch program or Child and Adult Care Food Program, National School
1.16 Lunch Act, United States Code, title 42, sections 1751 and 1766; the Food Distribution
1.17 Program on Indian Reservations, Food and Nutrition Act, United States Code, title 7, sections
1.18 2011-2036; Head Start under the federal Improving Head Start for School Readiness Act
1.19 of 2007; Minnesota family investment program under chapter 256J; child care assistance
1.20 programs under chapter 119B; the supplemental nutrition assistance program; or placement
1.21 in foster care under section 260C.212. Parents or guardians are not required to provide
1.22 income verification under this clause if the child is an eligible child under paragraph (b),
1.23 clause (4) or (5).

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 (2) a sibling from birth to age five of a child who has been awarded a scholarship under
2.3 this section provided the sibling attends the same program as long as funds are available;
- 2.4 (3) the child of a parent under age 21 who is pursuing a high school degree or a course
2.5 of study for a high school equivalency test; ~~or~~
- 2.6 ~~(4) homeless, in foster care, or in need of child protective services.~~
- 2.7 (4) designated as a child in need of protection or services; or
- 2.8 (5) designated as homeless under the federal McKinney-Vento Homeless Assistance
2.9 Act, United States Code, title 42, section 11434a.
- 2.10 (c) A child who has received a scholarship under this section must continue to receive
2.11 a scholarship each year until that child is eligible for kindergarten under section 120A.20
2.12 and as long as funds are available.
- 2.13 (d) Early learning scholarships may not be counted as earned income for the purposes
2.14 of medical assistance under chapter 256B, MinnesotaCare under chapter 256L, Minnesota
2.15 family investment program under chapter 256J, child care assistance programs under chapter
2.16 119B, or Head Start under the federal Improving Head Start for School Readiness Act of
2.17 2007.
- 2.18 (e) A child from an adjoining state whose family resides at a Minnesota address as
2.19 assigned by the United States Postal Service, who has received developmental screening
2.20 under sections 121A.16 to 121A.19, who intends to enroll in a Minnesota school district,
2.21 and whose family meets the criteria of paragraph (a) is eligible for an early learning
2.22 scholarship under this section.
- 2.23 Sec. 2. Minnesota Statutes 2018, section 124D.165, subdivision 3, is amended 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 are eligible under subdivision 2, paragraph (b), clause (3), (4), or (5).
- 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~~

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

3.3 The commissioner may prioritize applications on additional factors including family
3.4 income, geographic location, and whether the child's family is on a waiting list for a publicly
3.5 funded program providing early education or child care services.

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. For fiscal year 2020 and later, the number
3.16 of scholarship slots designated for a program under this paragraph must not exceed the
3.17 number of scholarship slots designated for that program in fiscal year 2019. Beginning July
3.18 1, 2016, a school district or Head Start program qualifying under this paragraph may use
3.19 its established registration process to enroll scholarship recipients and may verify a
3.20 scholarship recipient's family income in the same manner as for other program participants.

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

3.26 (e) A child over the age of three who receives a scholarship ~~who~~ and has not completed
3.27 development screening under sections 121A.16 to 121A.19 must complete that screening
3.28 within 90 days of first attending an eligible program. A child who receives a scholarship
3.29 before the age of three must complete the developmental screening no later than 90 days
3.30 after the child's third birthday.

3.31 (f) For fiscal year 2017 and later, a school district or Head Start program enrolling
3.32 scholarship recipients under paragraph (c) may apply to the commissioner, in the form and
3.33 manner prescribed by the commissioner, for direct payment of state aid. Upon receipt of
3.34 the application, the commissioner must pay each program directly for each approved

4.1 scholarship recipient enrolled under paragraph (c) according to the metered payment system
4.2 or another schedule established by the commissioner.

4.3 Sec. 3. Minnesota Statutes 2018, section 124D.165, subdivision 4, is amended to read:

4.4 Subd. 4. **Early childhood program eligibility.** (a) In order to be eligible to accept an
4.5 early learning scholarship, a program must:

4.6 (1) participate in the quality rating and improvement system under section 124D.142;
4.7 and

4.8 (2) beginning July 1, 2020, have a three- or four-star rating in the quality rating and
4.9 improvement system.

4.10 (b) Any program accepting scholarships must use the revenue to supplement and not
4.11 supplant federal funding.

4.12 ~~(c) Notwithstanding paragraph (a), all Minnesota early learning foundation scholarship~~
4.13 ~~program pilot sites are eligible to accept an early learning scholarship under this section.~~

4.14 Sec. 4. **APPROPRIATIONS.**

4.15 Subdivision 1. Department of Education. The sums indicated in this section are
4.16 appropriated from the general fund to the Department of Education for the fiscal years
4.17 designated.

4.18 Subd. 2. Early learning scholarships. (a) For the early learning scholarship program
4.19 under Minnesota Statutes, section 124D.165:

4.20 \$ 2020

4.21 \$ 2021

4.22 (b) Up to \$..... each year is for administration of this program.

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