

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

S.F. No. 2228

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DATE
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Introduction and first reading
Referred to Health and Human Services

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to health and human services; creating the Great Start Childcare and Early
1.3 Learning Workforce Grant Program; appropriating money; proposing coding for
1.4 new law in Minnesota Statutes, chapter 119B.

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

1.6 Section 1. **[119B.30] GREAT START CHILDCARE AND EARLY LEARNING**
1.7 **WORKFORCE GRANTS.**

1.8 Subdivision 1. **Grants.** The commissioner of human services must award grant money
1.9 to eligible child care programs to support increased compensation and benefits to teachers
1.10 and staff.

1.11 Subd. 2. **Eligible programs.** (a) The following programs are eligible to receive grants
1.12 under this section:

1.13 (1) family and group family child care homes licensed under Minnesota Rules, chapter
1.14 9502;

1.15 (2) child care centers licensed under Minnesota Rules, chapter 9503;

1.16 (3) certified license-exempt child care centers under chapter 245H;

1.17 (4) legal nonlicensed child care providers as defined in section 119B.011, subdivision
1.18 16; or

1.19 (5) other programs as determined by the commissioner.

2.1 (b) Eligible programs under this section must not be prohibited from receiving public
2.2 funds under section 245.095 or under license revocation, suspension, temporary immediate
2.3 suspension, or decertification.

2.4 Subd. 3. Applications and requirements. (a) To receive grant money under this section,
2.5 an eligible program must:

2.6 (1) complete an application developed by the commissioner;

2.7 (2) attest and agree in writing that, for the duration of the grant period, the program will
2.8 comply with applicable requirements regarding compensation levels for employees, including
2.9 maintaining compensation levels for employees; and

2.10 (3) attest and agree in writing that the program intends to remain operating and serving
2.11 children for the duration of the grant period, with the exceptions of service disruptions or
2.12 planned temporary closures, including for provider vacation or holidays, for a duration
2.13 specified by the commissioner for each grant period.

2.14 (b) Grant recipients must comply with all requirements listed in the application for grants
2.15 under this section.

2.16 (c) Grant recipients must use at least 70 percent of base grant awards under subdivision
2.17 4, paragraph (b), to provide increased compensation, benefits, or premium pay to all paid
2.18 employees, sole proprietors, or independent contractors regularly caring for children. Grant
2.19 recipients may request a waiver from this requirement if they cannot increase compensation,
2.20 benefits, or premium pay due to restrictions included in agreements with employee bargaining
2.21 units, or if the program is experiencing unusual and significant financial hardship.

2.22 (d) Grant recipients that fail to meet the requirements under this section are subject to
2.23 discontinuation of future installment payments, recoupment of payments already made, or
2.24 referral to the Office of Inspector General for additional action. Except when based on a
2.25 finding of fraud, actions to establish recoupment must be made within six years of the
2.26 conclusion of the grant program established under this section. Once recoupment is
2.27 established, collection may continue until funds have been repaid in full.

2.28 (e) The commissioner of human services must:

2.29 (1) structure grant applications in a manner so that providers only have to apply one
2.30 time in a calendar year;

2.31 (2) distribute payments to providers monthly; and

3.1 (3) allow providers to submit supplemental applications when changes to the program
3.2 occur that would result in increased grant amounts under subdivision 4.

3.3 Subd. 4. **Grant awards.** (a) The commissioner must award base grant amounts to all
3.4 eligible programs on a noncompetitive basis beginning July 1, 2023. The base grant amounts
3.5 shall be:

3.6 (1) based on the full-time equivalent number of staff positions who care for children in
3.7 the program, including any employees, sole proprietors, or independent contractors; and

3.8 (2) enhanced in amounts determined by the commissioner for any providers receiving
3.9 payments through the child care assistance program under sections 119B.03 and 119B.05,
3.10 or early learning scholarships under section 124D.165 or for eligible programs in extreme
3.11 financial hardship as determined by the commissioner.

3.12 (b) For purposes of this subdivision, an employee working over 50 hours per week is
3.13 the equivalent of two full-time staff positions.

3.14 Subd. 5. **Eligible uses of grant money.** Grant recipients may use grant money awarded
3.15 under this section for one or more of the following uses directly related to the operation of
3.16 a child care program:

3.17 (1) paying personnel costs, such as payroll, salaries, or similar compensation, employee
3.18 benefits, premium pay, or costs for employee recruitment and retention for an employee,
3.19 including a sole proprietor or an independent contractor;

3.20 (2) providing relief from co-payments and tuition payments for the families enrolled in
3.21 the program, to the extent possible, with eligible programs prioritizing relief for families
3.22 struggling to make co-payments or tuition payments;

3.23 (3) paying rent, including rent under a lease agreement, or making payments on any
3.24 mortgage obligation, utilities, facility maintenance or improvements, or insurance;

3.25 (4) purchasing personal protective equipment, purchasing cleaning and sanitization
3.26 supplies and services, or obtaining training and professional development related to health
3.27 and safety practices;

3.28 (5) purchasing goods and services necessary to maintain child care services; or

3.29 (6) providing mental health supports for children and employees.

4.1 Sec. 2. **APPROPRIATION; GREAT START CHILDCARE AND EARLY**
4.2 **EDUCATION GRANTS.**

4.3 \$..... in fiscal year 2024 and \$..... in fiscal year 2025 are appropriated from the general
4.4 fund to the commissioner of human services for the great start childcare and early education
4.5 grant program under Minnesota Statutes, section 119B.30.