# 

FILE NUMBER: Version:	H. F. 2902 Third Engrossment	DATE:	March 14, 2002
Authors:	Sykora and others		
Subject:	Family and Early Childhood Education Budget Reductions		
Analyst:	Danyell A. Punelli, 651-296-5058		

This publication can be made available in alternative formats upon request. Please call 651-296-6753 (voice); or the Minnesota State Relay Service at 1-800-627-3529 (TTY) for assistance. Summaries are also available on our website at: www.house.mn/hrd.

#### Overview

This bill reduces Family and Early Childhood Education general fund appropriations by \$6.0 million in FY 2003, \$6.9 million in FY 2004, and \$8.2 million in FY 2005.

#### **Section**

### **Article 1: Children and Family Support Programs**

- 1 **Early childhood family education aid.** Reduces the FY 2003 appropriation by \$1.6 million.
- 2 **Basic sliding fee.** Reduces the FY 2003 appropriation by \$1.5 million and makes this reduced appropriation the base beginning in FY 2004.
- 3 **MFIP child care.** Makes forecast changes.
- 4 **Child care service grants.** Reduces the FY 2003 appropriation by \$500,000 and makes this reduced appropriation the base beginning in FY 2004.
- 5 **Special revenue; child support collections.** Increases the FY 2003 appropriation by \$500,000. This increase partially offsets the \$1.5 million decrease in Basic Sliding Fee child care assistance.
- 6 **ECFE reserve reduction.** For FY 2003, makes a district's ECFE excess reserve amount equal to the lesser of the districts' ECFE revenue for FY 2003 or the districts' ECFE reserve account balance on June 30, 2002, in excess of \$18,000 or 25% of the districts' ECFE annual revenue for FY 2002. For FY 2003, prohibits amounts recovered from districts with ECFE excess reserves from being reallocated to other ECFE programs.

### **Article 2: Prevention**

- 1 **Priority.** Beginning in FY 2004, requires the commissioner to give priority to after school enrichment grant applicants who can demonstrate a 25 percent nonstate match.
- 2 **Community education aid.** Makes forecast changes.

3 **After-school enrichment grants.** Beginning in FY 2004, reduces the base appropriation by 25% (from \$5.51 million to \$4.13 million).

## Article 3: Self-Sufficiency and Lifelong Learning

- 1 **Accounts; revenue; aid.** Allows adult basic education consortia to be fiscal agents and makes ABE consortia eligible to receive state aid payments directly from the commissioner. This change conforms to current practice.
- 2 **State total adult basic education aid.** Freezes the FY 2003 appropriation at the FY 2002 level. Allows state total ABE aid to increase by five percent in FY 2004 and 2005.
- 3 **Adult basic education program aid limit.** Reduces the allowable growth for ABE programs from 17 percent per year to 10 percent per year beginning in FY 2003.
- 4 **Adult basic education aid.** Freezes the FY 2003 appropriation at the FY 2002 level.
- 5 Adult graduation aid. Makes forecast changes.