

1.1 moves to amend H.F. No. 1, the second division engrossment (DIVH0001-2),
1.2 as follows:

1.3 Page 8, after line 24, insert:

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

1.5 Subd. 3. **Administration.** (a) The commissioner shall establish application timelines
1.6 and determine the schedule for awarding scholarships that meets operational needs of eligible
1.7 families and programs. The commissioner must give highest priority to applications from
1.8 children who:

1.9 (1) have a parent under age 21 who is pursuing a high school diploma or a course of
1.10 study for a high school equivalency test;

1.11 (2) are in foster care or otherwise in need of protection or services; or

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

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

1.17 (b) The commissioner shall establish a target for the average scholarship amount per
1.18 child based on the results of the rate survey conducted under section 119B.02.

1.19 (c) A four-star rated program that has children eligible for a scholarship enrolled in or
1.20 on a waiting list for a program beginning in July, August, or September may notify the
1.21 commissioner, in the form and manner prescribed by the commissioner, each year of the
1.22 program's desire to enhance program services or to serve more children than current funding
1.23 provides. The commissioner may designate a predetermined number of scholarship slots

2.1 for that program and notify the program of that number. For fiscal year 2018 and later, the
 2.2 statewide amount of funding directly designated by the commissioner must not exceed the
 2.3 funding directly designated for fiscal year 2017. Beginning July 1, 2016, a school district
 2.4 or Head Start program qualifying under this paragraph may use its established registration
 2.5 process to enroll scholarship recipients and may verify a scholarship recipient's family
 2.6 income in the same manner as for other program participants.

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

2.12 (e) A child who receives a scholarship who has not completed development screening
 2.13 under sections 121A.16 to 121A.19 must complete that screening within 90 days of first
 2.14 attending an eligible program or within 90 days after the child's third birthday if awarded
 2.15 a scholarship under the age of three.

2.16 (f) For fiscal year 2017 and later, a school district or Head Start program enrolling
 2.17 scholarship recipients under paragraph (c) may apply to the commissioner, in the form and
 2.18 manner prescribed by the commissioner, for direct payment of state aid. Upon receipt of
 2.19 the application, the commissioner must pay each program directly for each approved
 2.20 scholarship recipient enrolled under paragraph (c) according to the metered payment system
 2.21 or another schedule established by the commissioner."

2.22 Page 9, strike lines 3 and 4

2.23 Page 14, after line 6, insert:

2.24 **"EFFECTIVE DATE. This section is effective September 18, 2020."**

2.25 Page 18, line 23, after "including" insert "(i) outcomes of the program, including the
 2.26 number of new providers, the number of additional child care provider jobs created, and
 2.27 the number of additional child care slots, (ii)" and before "an" insert "(iii)"

2.28 Page 18, line 24, after the first comma, insert "(iv)" and before "an" insert "(v)"

2.29 Page 19, line 14, delete "six" and insert "twelve" and delete "criteria" and insert "criterion"

2.30 Page 19, line 17, delete "2021" and insert "2022"

2.31 Page 19, line 18, delete "2020" and insert "2021"

2.32 Page 19, after line 19, insert:

3.1 "(c) Notwithstanding Minnesota Statutes, section 119B.03, subdivisions 6, 6a, and 6b,
3.2 the commissioner must allocate the additional basic sliding fee child care funds for calendar
3.3 year 2021 to counties for updated maximum rates based on relative need to cover maximum
3.4 rate increases. In distributing the additional funds, the commissioner must consider the
3.5 following factors by county:

3.6 (1) number of children;

3.7 (2) provider type;

3.8 (3) age of children; and

3.9 (4) amount of the increase in maximum rates."

3.10 Page 21, line 20, before "outcomes" insert "program" and delete everything after
3.11 "outcomes"

3.12 Page 21, line 21, delete everything before "to"

3.13 Renumber the sections in sequence and correct the internal references

3.14 Amend the title accordingly