EARLY CARE AND EDUCATION CHANGE ITEMS INCLUDED IN THE GOVERNOR’S BUDGET  
(Proposed 2020-2021 Biennium amounts)

DEPARTMENT OF HUMAN SERVICES BUDGET

- **Child Care Assistance Program (CCAP) Federal Compliance ($8.18 million)** includes 12-month eligibility, priority on homeless families, ensures out-of-state providers meet health and safety requirements, expands due process for providers.
- **CCAP Maximum Rates Updated ($9.4 million)** Maximum rates would be set at the greater of 25th percentile of the most recent market rate survey or the rates in effect at the time of the update. The proposal also increases registration fees paid to providers and moves the market rate survey to every three years. The proposal includes the use of $59.8 million in CCDBG funds to offset the costs in 2020-2021.
- **CCAP Basic Sliding Fee (BSF) Waiting List ($26.4 million)** represents a 5.9% increase to the current budget. These funds would allow an additional 1,000 families to be served through the BSF program. This includes $2.6 million in underspending from the calendar year 2018 BSF program.
- **CCAP Program Integrity (Savings of $1.9 million)** includes enhanced attendance recordkeeping requirements and system changes to track attendance recordkeeping.
- **Fraud Prevention Investigations Expansion ($1 million)** provides counties with additional resources to investigate recipient fraud in human services programs.
- **Background Study Federal Compliance ($281,000)** allows for the search of up to three additional databases for child care background studies.
- **Child Care Compliance and Fees for Certified License-Exempt Centers (Savings of $131,000)** includes an administrative fee to support regulatory activities for certified centers.
- **Head Start Background Studies (Net $0)** gives statutory authority to DHS to add Head Start programs that are license-exempt and not receiving CCAP funds and Tribal Head Start programs to the list of programs that can use DHS’s background study system, bringing them into compliance with federal requirements. (Also included in the MDE budget)

DEPARTMENT OF EDUCATION BUDGET

- **General Education Formula Increase of 3 percent for FY 2020 and 2 percent for FY 2021 ($522.6 million)** This increase will impact other school funding formulas including ECFE.
- **Voluntary Prekindergarten (VPK): Maintain Existing Slots ($58.5 million)** restores the number of VPK/School Readiness Plus participants from 3,160 to 7,160 for FY 2020 and beyond. Language includes an emphasis on mixed delivery, enhanced data collection and analysis, and better technical assistance.
- **Full Service Community Schools Grant Program ($4 million)** reestablishes the grant program that expired in FY 2018 in order to broaden access to full-service community school supports in low-income or rural communities.
- **Recruit and Retain Quality Teachers ($8 million)** funds an increase in student teacher grants, expanded concurrent enrollment grants to provide “introduction to teaching,” and funds to create induction and retention incentive program grants for teachers of color and American Indian teachers.
- **Early Learning Scholarship Special Revenue Fund (Net $0)** would ensure that unspent funds in the Early Learning Scholarship program are transferred to an account in the special revenue fund so that more scholarships may be awarded.
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DEPARTMENT OF HEALTH BUDGET

- Community Solutions Fund for Healthy Child Development Grant ($2 million in 2020 only) available to be spent over the next 4 years to support and promote health and racial equity.

DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT BUDGET

- Family and Medical Leave Insurance Placeholder ($68 million) This proposal is a placeholder, intended to fund the development of an IT system for collecting premiums and paying benefits, staffing and administrative resources at DEED and other state agencies, and an actuarial study to support program development.
- Child Care Economic Development Grants Program ($1 million) would provide grants to communities to increase the supply of quality child care in order to reduce regional child care shortages by supporting increased workforce participation, business expansion and retention, and new business development.

OFFICE OF HIGHER EDUCATION BUDGET

- Minnesota State Grants ($54 million) includes a provision to begin administering child care grants as a supplement to the state grant (pilot program) using funds from the Postsecondary Child Care Grant Program.
- The Statewide Longitudinal Education Data System (SLEDS)/Early Childhood Longitudinal Data System (ECLDS) ($2 million) would fully integrate the ECLDS system into SLEDS, create efficiency within IT and administrative processes, and maximize outreach training and technical assistance.
- Recruit and Retain Quality Teachers ($8 million) funds increase in student teacher grants, expanded concurrent enrollment grants to provide “introduction to teaching” and funds to create induction and retention incentive program grants for teachers of color and American Indian teachers. (Also, in MDE budget)

TAX BUDGET

- Working Family Tax Credit ($81.4 million) This would increase the working family tax credit by $100 for each single or head of household recipient, and $200 for each married filing jointly recipient.