

**CHAPTER 161—S.F.No. 526**

*An act relating to agriculture; providing for food handler certification; proposing coding for new law in Minnesota Statutes, chapter 31.*

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

**Section 1. [31.96] FOOD HANDLER CERTIFICATION.**

The commissioner may require certification of retail food handlers in establishments licensed under section 28A.05, paragraph (a), for retail food preparation, handling, and service practices. A retail food handler licensed under section 28A.05, paragraph (a), shall comply with the requirements for the manager certification program under section 157.011, subdivision 2. An interagency agreement with the department of health must be established for the transfer of funds to the commissioner to cover the cost of administering the manager certification program.

Presented to the governor May 15, 1997

Signed by the governor May 16, 1997, 2:10 p.m.

**CHAPTER 162—H.F.No. 2147**

*An act relating to family and early childhood education; providing for community and prevention programs; promoting self-sufficiency; providing for child care; establishing grant programs; appropriating money; amending Minnesota Statutes 1996, sections 12.21, subdivision 3; 15.53, subdivision 2; 119A.01, subdivision 3; 119A.04, subdivision 6, and by adding a subdivision; 119A.13, subdivisions 2, 3, and 4; 119A.14; 119A.15, subdivisions 2, 5, and by adding a subdivision; 119A.16; 119A.31, subdivision 1; 119B.01, subdivisions 8, 9, 12, 15, 16, 17, and by adding subdivisions; 119B.02; 119B.03, subdivisions 3, 4, 5, 6, 7, 8, and by adding subdivisions; 119B.04; 119B.05, subdivisions 1, 5, 6, and by adding a subdivision; 119B.07; 119B.08, subdivisions 1 and 3; 119B.09, subdivisions 1, 2, and by adding subdivisions; 119B.10, subdivision 1; 119B.11, subdivisions 1, 3, and by adding a subdivision; 119B.12; 119B.13, subdivision 1, and by adding subdivisions; 119B.15; 119B.16, subdivision 1; 119B.18, by adding a subdivision; 119B.20, subdivisions 7, 9, and 10; 119B.21, subdivisions 1, 2, 3, 4, 5, 6, 8, 9, 10, and 11; 120.05, subdivision 2; 121.11, by adding a subdivision; 121.831, subdivisions 3 and 4; 121.8355, subdivision 1; 121.88, subdivisions 1, 10, and by adding a subdivision; 121.882, subdivision 2; 124.17, subdivision 2e; 124.26, subdivision 2; 124.2601, subdivisions 3, 4, 5, and 6; 124.261, subdivision 1; 124.2615, subdivisions 1 and 2; 124.2711, subdivisions 1 and 2a; 124.2713, subdivisions 6 and 8; 124.2716, subdivision 3; 268.53, subdivision 5; 268.912; 268.913, subdivisions 2 and 4; 268.914, subdivision 1; and 517.08, subdivision 1c; Laws 1996, chapter 463, section 4, subdivision 2, as amended; proposing coding for new law in Minnesota Statutes, chapters 119A; and 119B; repealing Minnesota Statutes 1996, sections 119B.03, subdivision 7; 119B.05, subdivisions 2 and 3; 119B.11, subdivision 2; 119B.19, subdivision 2; 119B.21, subdivision 7; 121.8355, subdivision 1a; and 268.913, subdivision 5.*

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

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## ARTICLE 1

## EARLY CHILDHOOD PROGRAMS

Section 1. Minnesota Statutes 1996, section 12.21, subdivision 3, is amended to read:

Subd. 3. **SPECIFIC AUTHORITY.** In performing duties under this chapter and to effect its policy and purpose, the governor may:

(1) make, amend, and rescind the necessary orders and rules to carry out the provisions of this chapter and section 216C.15 within the limits of the authority conferred by this section, with due consideration of the plans of the federal government and without complying with sections 14.001 to 14.69, but no order or rule has the effect of law except as provided by section 12.32;

(2) ensure that a comprehensive emergency operations plan and emergency management program for this state are developed and maintained, and are integrated into and coordinated with the emergency plans of the federal government and of other states to the fullest possible extent;

(3) in accordance with the emergency operations plan and the emergency management program of this state, procure supplies and equipment, institute training programs and public information programs, and take all other preparatory steps, including the partial or full activation of emergency management organizations in advance of actual disaster to ensure the furnishing of adequately trained and equipped forces of emergency management personnel in time of need;

(4) make studies and surveys of the industries, resources, and facilities in this state as may be necessary to ascertain the capabilities of the state for emergency management and to plan for the most efficient emergency use of those industries, resources, and facilities;

(5) on behalf of this state, enter into mutual aid arrangements or cooperative agreements with other states and with Canadian provinces, and coordinate mutual aid plans between political subdivisions of this state;

(6) delegate administrative authority vested in the governor under this chapter, except the power to make rules, and provide for the subdelegation of that authority;

(7) cooperate with the president and the heads of the armed forces, the emergency management agency of the United States and other appropriate federal officers and agencies, and with the officers and agencies of other states in matters pertaining to the emergency management of the state and nation, including the direction or control of:

(i) emergency preparedness drills and exercises;

(ii) warnings and signals for drills or actual emergencies and the mechanical devices to be used in connection with them;

(iii) shutting off water mains, gas mains, electric power connections and the suspension of all other utility services;

(iv) the conduct of persons in the state and the movement and cessation of movement of pedestrians and vehicular traffic during, prior, and subsequent to drills or actual emergencies;

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(v) public meetings or gatherings; and

(vi) the evacuation, reception, and sheltering of persons;

(8) contribute to a political subdivision, within the limits of the appropriation for that purpose, not more than 25 percent of the cost of acquiring organizational equipment that meets standards established by the governor;

(9) formulate and execute, with the approval of the executive council, plans and rules for the control of traffic in order to provide for the rapid and safe movement over public highways and streets of troops, vehicles of a military nature, materials for national defense and war or for use in any war industry, for the conservation of critical materials or for emergency management purposes, and coordinate the activities of the departments or agencies of the state and its political subdivisions concerned directly or indirectly with public highways and streets, in a manner that will best effectuate those plans;

(10) alter or adjust by executive order, without complying with sections 14.01 to 14.69, the working hours, work days and work week of, and annual and sick leave provisions and payroll laws regarding all state employees in the executive branch as the governor deems necessary to minimize the impact of the disaster or emergency, conforming the alterations or adjustments to existing state laws, rules, and collective bargaining agreements to the extent practicable;

(11) authorize the commissioner of children, families, and learning to alter school schedules, curtail school activities, or order schools closed without affecting state aid to schools, as defined in section 120.05, and including charter schools under section 120.064.

Sec. 2. Minnesota Statutes 1996, section 120.05, subdivision 2, is amended to read:

Subd. 2. **DEFINITIONS.** (1) Elementary school means any school with building, equipment, courses of study, class schedules, enrollment of pupils ordinarily in grades 1 prekindergarten through grade 6 or any portion thereof and staff meeting the standards established by the state board of education.

The state board of education shall not close a school or deny any state aids to a district for its elementary schools because of enrollment limitations classified in accordance with the provisions of subdivision 2, clause (1).

(2) Middle school means any school other than a secondary school giving an approved course of study in a minimum of three consecutive grades above 4th but below 10th with building, equipment, courses of study, class schedules, enrollment, and staff meeting the standards established by the state board of education.

(3) Secondary school means any school with building, equipment, courses of study, class schedules, enrollment of pupils ordinarily in grades 7 through 12 or any portion thereof, and staff meeting the standards established by the state board of education.

(4) A vocational center school is one serving a group of secondary schools with approved areas of secondary vocational training and offering vocational secondary and adult programs necessary to meet local needs and meeting standards established by the state board of education.

Sec. 3. Minnesota Statutes 1996, section 121.831, subdivision 3, is amended to read:

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Subd. 3. **PROGRAM ELIGIBILITY.** A learning readiness program shall include the following:

(1) a comprehensive plan to anticipate and meet the needs of participating families by coordinating existing social services programs and by fostering collaboration among agencies or other community-based organizations and programs that provide a full range of flexible, family-focused services to families with young children;

(2) a development and learning component to help children develop appropriate social, cognitive, and physical skills, and emotional well-being;

(3) health referral services to address children's medical, dental, mental health, and nutritional needs;

(4) a nutrition component to meet children's daily nutritional needs;

(5) parents' involvement in meeting children's educational, health, social service, and other needs;

(6) community outreach to ensure participation by families who represent the racial, cultural, and economic diversity of the community; and

(7) community-based staff and program resources, including interpreters, that reflect the racial and ethnic characteristics of the children participating in the program; and

(8) a literacy component to ensure that the literacy needs of parents are addressed through referral to and cooperation with adult basic education programs and other adult literacy programs.

Sec. 4. Minnesota Statutes 1996, section 121.831, subdivision 4, is amended to read:

Subd. 4. **PROGRAM CHARACTERISTICS.** Learning readiness programs are encouraged to:

(1) prepare an individualized service plan to meet each child's developmental and learning needs;

(2) provide parent education to increase parents' knowledge, understanding, skills, and experience in child development and learning;

(3) foster substantial parent involvement that may include having parents develop curriculum or serve as a paid or volunteer educator, resource person, or other staff;

(4) identify the needs of families in the content of the child's learning readiness and family literacy;

(5) expand collaboration with public organizations, businesses, nonprofit organizations, or other private organizations to develop a coordinated system of flexible, family-focused services available to anticipate and meet the full range of needs of all eligible children and their families;

(6) coordinate treatment and follow-up services for children's identified physical and mental health problems;

(7) offer transportation for eligible children and their families for whom other forms of transportation are unavailable or would constitute an excessive financial burden;

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(8) make substantial outreach efforts to assure significant participation by families with the greatest needs, including those families whose income level does not exceed the most recent update of the poverty guidelines required by sections 652 and 673(2) of the Omnibus Budget Reconciliation Act of 1981 (Public Law Number 97-35);

(9) use community-based, trained home visitors serving as paraprofessionals to provide social support, referrals, parent education, and other services;

(10) create community-based family resource centers and interdisciplinary teams; and

(11) enhance the quality of family or center-based child care programs by providing supplementary services and resources, staff training, and assistance with children with special needs.

Sec. 5. Minnesota Statutes 1996, section 121.882, subdivision 2, is amended to read:

Subd. 2. **PROGRAM CHARACTERISTICS.** Early childhood family education programs are programs for children in the period of life from birth to kindergarten, for the parents of such children, and for expectant parents. The programs may include the following:

(1) programs to educate parents about the physical, mental, and emotional development of children;

(2) programs to enhance the skills of parents in providing for their children's learning and development;

(3) learning experiences for children and parents that promote children's development;

(4) activities designed to detect children's physical, mental, emotional, or behavioral problems that may cause learning problems;

(5) activities and materials designed to encourage self-esteem, skills, and behavior that prevent sexual and other interpersonal violence;

(6) educational materials which may be borrowed for home use;

(7) information on related community resources;

(8) programs to prevent child abuse and neglect; or

(9) other programs or activities to improve the health, development, and learning readiness of children; or

(10) activities designed to maximize development during infancy.

The programs shall not include activities for children that do not require substantial involvement of the children's parents. The programs shall be reviewed periodically to assure the instruction and materials are not racially, culturally, or sexually biased. The programs shall encourage parents to be aware of practices that may affect equitable development of children.

Sec. 6. Minnesota Statutes 1996, section 124.2711, subdivision 1, is amended to read:

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Subdivision 1. **REVENUE.** The revenue for early childhood family education programs for a school district equals \$101.25 for 1993 1998 and \$113.50 for 1999 and later fiscal years times the greater of:

(1) 150; or

(2) the number of people under five years of age residing in the school district on October 1 of the previous school year.

Sec. 7. Minnesota Statutes 1996, section 124.2711, subdivision 2a, is amended to read:

Subd. 2a. **EARLY CHILDHOOD FAMILY EDUCATION LEVY.** To obtain early childhood family education revenue, a district may levy an amount equal to the tax rate of ~~.609~~ .653 percent times the adjusted tax capacity of the district for the year preceding the year the levy is certified. If the amount of the early childhood family education levy would exceed the early childhood family education revenue, the early childhood family education levy shall equal the early childhood family education revenue.

Sec. 8. Minnesota Statutes 1996, section 268.912, is amended to read:

**268.912 HEAD START PROGRAM.**

The department of ~~economic security~~ children, families, and learning is the state agency responsible for administering the Head Start program. The commissioner of ~~economic security~~ children, families, and learning may make grants to public or private non-profit agencies for the purpose of providing supplemental funds for the federal Head Start program.

Sec. 9. Minnesota Statutes 1996, section 268.913, subdivision 2, is amended to read:

Subd. 2. **PROGRAM ACCOUNT 20.** "Program account 20" means the federally designated and funded account ~~limited to~~ for training and technical assistance activities.

Sec. 10. Minnesota Statutes 1996, section 268.913, subdivision 4, is amended to read:

Subd. 4. **PROGRAM ACCOUNT 26 25.** "Program account 26 25" means the federally designated and funded account ~~that can only be used to provide special services to handicapped diagnosed children~~ for parent child centers.

Sec. 11. Minnesota Statutes 1996, section 268.914, subdivision 1, is amended to read:

Subdivision 1. **STATE SUPPLEMENT FOR FEDERAL GRANTEEES.** (a) The commissioner of ~~economic security~~ shall children, families, and learning must distribute money appropriated for that purpose to Head Start program grantees to expand services and to serve additional low-income children. Money must be allocated to each project Head Start grantee in existence on the effective date of Laws 1989, chapter 282. Migrant and Indian reservation grantees must be initially allocated money based on the grantees' share of federal funds. The remaining money must be initially allocated to the remaining local agencies based equally on the agencies' share of federal funds and on the proportion of eligible children in the agencies' service area who are not currently being served. A Head Start grantee must be funded at a per child rate equal to its contracted, federally

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funded base level for program accounts ~~20 to 26~~ 20, 22, and 25 at the start of the fiscal year. In allocating funds under this paragraph, the commissioner of economic security must assure that each Head Start grantee is allocated no less funding in any fiscal year than was allocated to that grantee in fiscal year 1993. The commissioner may provide additional funding to grantees for start-up costs incurred by grantees due to the increased number of children to be served. Before paying money to the grantees, the commissioner ~~shall~~ must notify each grantee of its initial allocation, how the money must be used, and the number of low-income children that must be served with the allocation. Each grantee must notify the commissioner of the number of additional low-income children it will be able to serve. For any grantee that ~~cannot serve additional children to utilize its full allocation,~~ the commissioner ~~shall~~ must reduce the allocation proportionately. Money available after the initial allocations are reduced must be redistributed to eligible grantees.

(b) Up to 11 percent of the funds appropriated annually may be used to provide grants to local Head Start agencies to provide funds for innovative programs designed either to target Head Start resources to particular at-risk groups of children or to provide services in addition to those currently allowable under federal Head Start regulations. The commissioner ~~shall~~ must award funds for innovative programs under this paragraph on a competitive basis.

**Sec. 12. ADDITIONAL EARLY CHILDHOOD FAMILY EDUCATION AID; FISCAL YEAR 1998.**

A district that complies with Minnesota Statutes, section 121.882, shall receive additional early childhood family education aid for fiscal year 1998 equal to \$10 times the greater of:

(1) 150; or

(2) the number of people under five years of age residing in the school district on October 1 of the previous school year. The additional early childhood family education aid may be used only for early childhood family education programs.

**Sec. 13. EARLY CHILDHOOD FAMILY EDUCATION INFANT DEVELOPMENT GRANT AWARDS.**

(a) Early childhood family education programs under Minnesota Statutes, section 121.882, may apply to the commissioner of children, families, and learning for a grant to fund a pilot program to increase services for families of infants. Programming for infants and their families must conform to the service and other requirements of the early childhood family education programs. The infant program must include learning experiences for parents of infants that focus on methods and information that stimulate and nurture the intellectual and emotional development of infants. Proposals from programs with service areas where centralized classes are not feasible or optimal, may include home visiting programs under Minnesota Statutes, section 121.882, subdivision 2b.

(b) The eligible applicant shall submit an application in the form and manner prescribed by the commissioner. Grant applicants shall describe the proposed infant and family education approach. The application must specify the program components, outreach methods, targeted ages, anticipated role of the home visits, if any, and how the program will encourage participation by families with infants.

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**Sec. 14. OFFICE OF COMMUNITY SERVICES.**

The commissioner of children, families, and learning shall review the accounts and funding for programs administered in the office of community services. The commissioner shall also review the methods of distributing grants and revenue to communities, programs, districts, and other organizations. The commissioner shall develop unified application forms for competitive grant programs administered by the office. The commissioner shall present a proposal to the legislature on ways to streamline applications, and to the extent possible, combine accounts, programs, and funding streams.

**Sec. 15. YEAR 2000 READY.**

The commissioner of children, families, and learning shall ensure that any computer software or hardware that is purchased with money appropriated in this act must be year 2000 ready.

**Sec. 16. LINKED SERVICES; LITERACY; EDUCATION.**

The commissioner shall ensure that all early childhood, community support, prevention, and family service programs administered by the department of children, families, and learning that receive state aid or state appropriations or are eligible for grants through the department of children, families, and learning must:

- (1) develop methods to collaborate to encourage family literacy;
- (2) implement measures to link services with all programs that support families and early childhood development; and
- (3) ensure that education and educational development are a program goal.

**Sec. 17. REPORT SUNSET.**

Beginning September 15, 1997, the requirement to submit the following reports expires:

- (1) child abuse prevention trust fund disbursement plan under Minnesota Statutes, section 119A.13;
- (2) child care system report under Minnesota Statutes, section 119B.24;
- (3) community crime reduction report under Minnesota Statutes, section 119A.31;
- (4) administrative duties report under Minnesota Statutes, section 119A.31;
- (5) progress report on male responsibility grants under Minnesota Statutes, section 126.84;
- (6) school-linked services report under Minnesota Statutes, section 256.995;
- (7) state drug strategy under Minnesota Statutes, section 119A.26;
- (8) chemical abuse and violence prevention council report under Minnesota Statutes, section 119A.28;
- (9) violence prevention grant report under Minnesota Statutes, section 126.78; and
- (10) Head Start report under Minnesota Statutes, section 268.917.

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Sec. 18. **APPROPRIATIONS.**

Subdivision 1. **DEPARTMENT OF CHILDREN, FAMILIES, AND LEARNING.** The sums indicated in this section are appropriated from the general fund to the department of children, families, and learning for the fiscal years designated.

Subd. 2. **LEARNING READINESS PROGRAM REVENUE.** For revenue for learning readiness programs according to Minnesota Statutes, sections 121.831 and 124.2615:

\$10,316,000	.....	1998
\$10,405,000	.....	1999

The 1998 appropriation includes \$949,000 for 1997 and \$9,367,000 for 1998.

The 1999 appropriation includes \$1,040,000 for 1998 and \$9,365,000 for 1999.

\$10,000 each year may be spent for evaluation of learning readiness programs.

\$50,000 is for a grant to Itasca county for the Greenway Readiness Program. The program must include a half-day readiness program for four-year olds, an early childhood component, and a resource center.

\$30,000 is for a grant to independent school district No. 544, Fergus Falls, to study ways to combine all early learning programs and to fund those programs.

Any balance in the first year does not cancel but is available in the second year.

Subd. 3. **EARLY CHILDHOOD FAMILY EDUCATION AID.** For early childhood family education aid according to Minnesota Statutes, section 124.2711:

\$15,618,000	.....	1998
\$14,104,000	.....	1999

The 1998 appropriation includes \$1,361,000 for 1997 and \$14,257,000 for 1998.

The 1999 appropriation includes \$1,585,000 for 1998 and \$12,519,000 for 1999.

\$10,000 each year may be spent for evaluation of early childhood family education programs.

\$100,000 may be used for pilot technology grants to early childhood education programs to enhance the use of technology. Grants may be used to purchase, repair, or upgrade computer hardware or software, and for training in the use of technology. To the extent practicable, the department shall solicit donations of refurbished computers for distribution to early childhood education programs.

Any balance in the first year does not cancel but is available in the second year.

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Subd. 4. **HEALTH AND DEVELOPMENTAL SCREENING AID.** For health and developmental screening aid according to Minnesota Statutes, sections 123.702 and 123.7045:

\$1,550,000	.....	1998
\$1,550,000	.....	1999

The 1998 appropriation includes \$155,000 for 1997 and \$1,395,000 for 1998.

The 1999 appropriation includes \$155,000 for 1998 and \$1,395,000 for 1999.

Any balance in the first year does not cancel but is available in the second year.

Subd. 5. **WAY TO GROW.** For grants for existing way to grow programs according to Minnesota Statutes, section 121.835:

\$475,000	.....	1998
\$475,000	.....	1999

Any balance in the first year does not cancel but is available in the second year.

Subd. 6. **PART H.** For the department of children, families, and learning's share of the state's obligation under Part H according to Minnesota Statutes, section 120.1701:

\$400,000	.....	1998
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Any balance in the first year does not cancel but is available in the second year.

Subd. 7. **EARLY CHILDHOOD FAMILY EDUCATION INFANT DEVELOPMENT GRANTS.** For grants to early childhood family education programs under Minnesota Statutes, section 121.882, to fund initiatives under section 13:

\$2,000,000	.....	1998
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Any balance in the first year does not cancel but is available in the second year. This is a one-time appropriation and is not to be added to the permanent base.

Of this amount, up to two percent each year may be used to administer the grant program.

Subd. 8. **HEAD START PROGRAM.** For Head Start programs according to Minnesota Statutes, section 268.914:

\$18,750,000	.....	1998
\$18,750,000	.....	1999

The commissioner may use up to two percent each year for state operations.

Any balance in the first year does not cancel but is available in the second year.

\$1,000,000 each year must be used for competitive grants to local Head Start agencies for full year programming for children ages 0 to 3. The programs must comply with applicable federal Head Start performance standards. Grantees may use state grant funds to provide services in addition to those allowed under federal Head Start regulations.

Up to \$250,000 is for a matching grant to Little Earth Residents Association for programming in the Neighborhood Early Learning Center.

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**Sec. 19. REPEALER.**

Minnesota Statutes 1996, sections 119B.03, subdivision 7; 119B.05, subdivisions 2 and 3; 119B.11, subdivision 2; 119B.19, subdivision 2; 119B.21, subdivision 7; 121.8355, subdivision 1a; and 268.913, subdivision 5, are repealed.

**Sec. 20. EFFECTIVE DATE.**

Sections 1 and 2 apply to the 1997-1998 school year and thereafter.

Section 7 (124.2711, subdivision 2a) is effective for revenue for fiscal year 1999.

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**ARTICLE 2****COMMUNITY PROGRAMS AND PREVENTION**

Section 1. Minnesota Statutes 1996, section 15.53, subdivision 2, is amended to read:

Subd. 2. **PERIOD OF ASSIGNMENT.** The period of individual assignment or detail under an interchange program shall not exceed 24 months, nor shall any person be assigned or detailed for more than 24 months during any 36-month period, except when the assignment or detail is made to coincide with an unclassified appointment under section 15.06. A school district, a county, or a public health entity may make an assignment for a period not to exceed five years if the assignment is made pursuant to section 121.8355, subdivision 6. Details relating to any matter covered in sections 15.51 to 15.57 may be the subject of an agreement between the sending and receiving agencies. Elected officials shall not be assigned from a sending agency nor detailed to a receiving agency.

**Sec. 2. [119A.08] NEIGHBORHOOD-BASED SERVICES FOR CHILDREN AND FAMILIES.**

Subdivision 1. **PILOT PROJECTS AUTHORIZED.** The commissioner may establish a pilot project for family services collaboratives to deliver and broker services through neighborhood-based community organizations.

Subd. 2. **FAMILY SERVICE COLLABORATIVE; PILOT.** (a) A family services collaborative under section 121.8355 may apply to the commissioner to participate in the pilot project in specified geographic areas. The selected collaborative must implement the program through family service centers and eligible community groups that have strong ties to a local neighborhood and represent the diversity of residents and that have a history of providing services in the neighborhood.

(b) An eligible organization must submit an application to the sponsoring family services collaborative with a description of areas to be served, a neighborhood presence, the needs of the area, the services to be provided with associated costs and resources, the intended outcomes, and the proposed methods of delivering service through volunteers, including any reimbursement or incentive not to exceed \$200 for any service. Proposed services and amounts must be listed in an outcomes-based format.

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Subd. 3. **ELIGIBLE ACTIVITIES.** A participating center or group may deliver, or arrange for the delivery of, needed services listed in the application including assisting family members to achieve the GED requirements; assisting with English as a second language or citizenship classes and tests; assisting with access to early childhood programs, childhood immunizations, suitable child care, and home visits; and assisting in crime prevention through after-school enrichment activities, truancy prevention, and tutoring for academically under-achieving children.

A collaborative that receives a grant under this section shall establish procedures to ensure the quality of the services paid for with grant funds and to monitor the delivery of services.

Sec. 3. Minnesota Statutes 1996, section 119A.13, subdivision 2, is amended to read:

Subd. 2. **ADVISORY COUNCIL.** An advisory council of 19 ~~17~~ members is established under section 15.059. The commissioners of human services, public safety, health, and children, families, and learning, and corrections shall each appoint one member. The subcommittee on committees of the senate and the speaker of the house of representatives shall each appoint two members of their respective bodies, one from each caucus. The governor shall appoint an additional ten members who shall demonstrate knowledge in the area of child abuse prevention and shall represent the demographic and geographic composition of the state, and to the extent possible, represent the following groups: local government, parents, racial and ethnic minority communities, the religious community, professional providers of child abuse prevention and treatment services, and volunteers in child abuse prevention and treatment services. The council shall advise and assist the commissioner in carrying out sections 119A.10 to 119A.16. The council does not expire as provided by section 15.059, subdivision 5.

Sec. 4. Minnesota Statutes 1996, section 119A.13, subdivision 3, is amended to read:

Subd. 3. **PLAN FOR DISBURSEMENT OF FUNDS.** By June 1, 1987, the commissioner, assisted by the advisory council, shall develop a plan to disburse money from the trust fund. In developing the plan, the commissioner shall review prevention programs. The plan must ensure that all geographic areas of the state have an equal opportunity to establish prevention programs and receive trust fund money. Biennially thereafter the commissioner shall send the plan to the legislature and the governor by January 1 of each odd-numbered year.

Sec. 5. Minnesota Statutes 1996, section 119A.13, subdivision 4, is amended to read:

Subd. 4. **RESPONSIBILITIES OF THE COMMISSIONER.** (a) The commissioner shall:

(1) provide for the coordination and exchange of information on the establishment and maintenance of prevention programs;

(2) develop and publish criteria for receiving trust fund money by prevention programs;

(3) review, approve, and monitor the spending of trust fund money by prevention programs;

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(4) provide statewide educational and public informational seminars to develop public awareness on preventing child abuse; to encourage professional persons and groups to recognize instances of child abuse and work to prevent them; to make information on child abuse prevention available to the public and to organizations and agencies; and to encourage the development of prevention programs;

(5) establish a procedure for an annual, internal evaluation of the functions, responsibilities, and performance of the commissioner in carrying out Laws 1986, chapter 423. In a year in which the state plan is prepared, the evaluation must be coordinated with the preparation of the state plan;

(6) provide technical assistance to local councils and agencies working in the area of child abuse prevention; and

(7) accept and review grant applications beginning June 1, 1987.

(b) The commissioner shall recommend to the governor and the legislature changes in state programs, statutes, policies, budgets, and standards that will reduce the problems of child abuse, improve coordination among state agencies that provide prevention services, and improve the condition of children, parents, or guardians in need of prevention program services.

Sec. 6. Minnesota Statutes 1996, section 119A.14, is amended to read:

#### 119A.14 LOCAL CHILD ABUSE PREVENTION COUNCILS.

Subdivision 1. **ESTABLISHMENT OF COUNCIL.** A child abuse prevention council may be established in any county or group of counties that was eligible to receive funds under Minnesota Statutes 1986, section 145.917 as of January 1, 1986. A council organized in such a county or group of counties shall be authorized by the commissioner to review programs seeking trust fund money on finding that the council meets the criteria in this subdivision:

(a) The council has submitted a plan for the prevention of child abuse that includes a survey rank ordering of needed programs and services, assesses the need for additional programs or services, and demonstrates that standards and procedures have been established to ensure that funds will be distributed and used according to Laws 1986, chapter 423.

(b) A single-county council shall consist of:

(1) ~~members of a multidisciplinary child protection team which must be established under section 626.558 a minimum of nine members with the majority consisting of members from the community-at-large who do not represent service-providing agencies. These members shall represent the demographic and geographic composition of the county and, to the extent possible, represent the following groups: parents, businesses, racial and ethnic minority communities, and the faith communities; and~~

(2) if necessary, enough additional members appointed by the county with knowledge in the area of child abuse prevention so that a majority of the council is composed of members who do not represent public agencies.

(c) A multicounty council shall be selected by composed of the combined membership of these multidisciplinary teams which have been established in the counties under section 626.558 and shall consist of: persons in paragraph (b).

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(1) ~~one representative each from local human services agencies, county attorney offices, county sheriff offices, and health and education agencies, chosen from among the membership of all the teams;~~

(2) ~~one representative from any other public agency group represented among the combined teams; and~~

(3) ~~enough additional members from the public who have knowledge in the area of child abuse so that a majority of the council is composed of members who do not represent public agencies.~~

(4) ~~In any multicounty group eligible to establish a council under this subdivision, at least 50 percent of the counties must have established a multidisciplinary team under section 626.558 before a council may be established.~~

Subd. 2. **REVIEW BY COUNCIL.** To be eligible to receive a grant from the trust fund, an applicant must have had its ~~program application~~ reviewed by a child abuse prevention council from the applicant's geographic area found by the commissioner to meet the criteria in this section. In reviewing all ~~such programs applications~~, the council shall consider the extent to which the applicant meets the criteria and standards in Laws 1986, chapter 423, and the degree to which the program meets the needs of the geographic area. The council shall provide to the advisory council its comments and recommendations concerning each ~~program application~~ reviewed and shall provide the advisory council with its prioritization by rank ordering of all ~~programs applications~~ reviewed.

Sec. 7. Minnesota Statutes 1996, section 119A.15, subdivision 2, is amended to read:

Subd. 2. **MATCHING AND OTHER REQUIREMENTS.** Trust fund money shall only be distributed to applicants that demonstrate an ability to match at least 40 percent of the amount of trust fund money requested and whose proposals meet the other criteria. The matching requirement may be met through in-kind donations. In awarding grants, the commissioner shall consider the extent to which the applicant has demonstrated a willingness and ability to:

(1) continue the prevention program or service if trust fund money is eliminated or reduced; and

(2) provide prevention program models and consultation to other organizations and communities.

Sec. 8. Minnesota Statutes 1996, section 119A.15, subdivision 5, is amended to read:

Subd. 5. **LOCAL COUNCIL AS RECIPIENT OF FUNDS.** The commissioner may disburse funds to a local council ~~on the same basis as to any other applicant for community education purposes, or as for administrative costs in carrying out Laws 1986, chapter 423, if all criteria and standards are met. Funds disbursed as administrative costs to a local council must not exceed five percent of total funds disbursed to the area served by the local council.~~

Sec. 9. Minnesota Statutes 1996, section 119A.16, is amended to read:

119A.16 **ACCEPTANCE OF FEDERAL FUNDS AND OTHER DONATIONS.**

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The commissioner may accept federal money and gifts, donations, and bequests for the purposes of Laws 1986, chapter 423. Money so received and proceeds from the sale of promotional items, minus sales promotional costs, must be deposited in the trust fund and must be made available annually to the commissioner.

Sec. 10. Minnesota Statutes 1996, section 119A.31, subdivision 1, is amended to read:

Subdivision 1. **PROGRAMS.** The commissioner shall, in consultation with the chemical abuse and violence prevention council, administer a grant program to fund community-based programs that are designed to enhance the community's sense of personal security and to assist the community in its crime control and prevention efforts. Examples of qualifying programs include, but are not limited to, the following:

(1) community-based programs designed to provide services for children aged 8 to 13 who are juvenile offenders or who are at risk of becoming juvenile offenders. The programs must give priority to:

(i) juvenile restitution;

(ii) prearrest or pretrial diversion, including through mediation;

(iii) probation innovation;

(iv) teen courts, community service; or

(v) post incarceration alternatives to assist youth in returning to their communities;

(2) community-based programs designed to provide at-risk children and youth aged 8 to 13 with after-school and summer enrichment activities;

(3) community-based programs designed to discourage young people from involvement in unlawful drug or street gang activities such as neighborhood youth centers;

(4) neighborhood block clubs and innovative community-based crime prevention programs;

(5) community- and school-based programs designed to enrich the educational, cultural, or recreational opportunities of at-risk children and youth, including programs designed to keep at-risk youth from dropping out of school and encourage school drop-outs to return to school;

(6) community-based programs designed to intervene with juvenile offenders who are identified as likely to engage in repeated criminal activity in the future unless intervention is undertaken;

(7) community-based collaboratives that coordinate multiple programs and funding sources to address the needs of at-risk children and youth, including, but not limited to, collaboratives that address the continuum of services for juvenile offenders and those who are at risk of becoming juvenile offenders;

(8) programs that are proven successful at increasing the rate of school success or the rate of post-secondary education attendance for high-risk students;

(9) community-based programs that provide services to homeless youth;

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(10) programs designed to reduce truancy; and

(11) other community- and school-based crime prevention programs that are innovative and encourage substantial involvement by members of the community served by the program;

(12) community-based programs that attempt to prevent and ameliorate the effects of teenage prostitution;

(13) programs for mentoring at-risk youth, including youth at risk of gang involvement; and

(14) programs operated by community violence prevention councils.

Sec. 11. Minnesota Statutes 1996, section 121.11, is amended by adding a subdivision to read:

Subd. 7e. GENERAL EDUCATION DEVELOPMENT TESTS RULES. The state board may amend rules to reflect changes in the national minimum standard score for passing the General Education Development (GED) tests.

Sec. 12. Minnesota Statutes 1996, section 121.88, subdivision 1, is amended to read:

Subdivision 1. **AUTHORIZATION.** Each school board may initiate a community education program in its district and provide for the general supervision of the program. Each board may, as it considers appropriate, employ community education directors and coordinators staff to further the purposes of the community education program.

Sec. 13. Minnesota Statutes 1996, section 121.88, is amended by adding a subdivision to read:

Subd. 2a. COMMUNITY EDUCATION DIRECTOR. (a) Except as provided under paragraphs (b) and (c), each board shall employ a licensed community education director. The board shall submit the name of the person who is serving as director of community education under this section on the district's annual community education report to the commissioner.

(b) A board may apply to the commissioner under Minnesota Rules, part 3512.3500, subpart 9, for authority to use an individual who is not licensed as a community education director.

(c) A board of a district with a total population of 2,000 or less may identify an employee who holds a valid Minnesota principal or superintendent license under Minnesota Rules, chapter 3512, to serve as director of community education. To be eligible for an exception under this paragraph, the board shall certify in writing to the commissioner that the district has not placed a licensed director of community education on unrequested leave.

Sec. 14. Minnesota Statutes 1996, section 121.88, subdivision 10, is amended to read:

Subd. 10. **EXTENDED DAY PROGRAMS.** (a) A school board may offer, as part of a community education program, an extended day program for children from kindergarten through grade 6 for the purpose of expanding students' learning opportunities. A program must include the following:

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- (1) adult supervised programs while school is not in session;
- (2) parental involvement in program design and direction;
- (3) partnerships with the K-12 system, and other public, private, or nonprofit entities; and
- (4) opportunities for trained secondary school pupils to work with younger children in a supervised setting as part of a community service program.

(b) The district may charge a sliding fee based upon family income for extended day programs. The district may receive money from other public or private sources for the extended day program. The school board of the district shall develop standards for school age child care programs. Districts with programs in operation before July 1, 1990, must adopt standards before October 1, 1991. All other districts must adopt standards within one year after the district first offers services under a program authorized by this subdivision. The state board of education may not adopt rules for extended day programs.

(c) The district shall maintain a separate account within the community services fund for all funds related to the extended day program.

Sec. 15. Minnesota Statutes 1996, section 124.17, subdivision 2e, is amended to read:

Subd. 2e. **AVERAGE DAILY MEMBERSHIP, PUPILS AGE 21 OR OVER.** The average daily membership for pupils age 21 or over, is equal to the ratio of the number of yearly hours that the pupil is in membership to the number of instructional hours in the district's regular school year. A pupil enrolled in the graduation incentives program under section 126.22, subdivision 2, paragraph (b), for more than the number of instructional hours in the district's regular school year may be counted as more than one pupil in average daily membership.

Sec. 16. Minnesota Statutes 1996, section 124.26, subdivision 2, is amended to read:

Subd. 2. **ACCOUNTS; REVENUE; AID.** Each district, group of districts, or private nonprofit organization providing adult basic education programs shall establish and maintain accounts separate from all other district accounts for the receipt and disbursement of all funds related to these programs. All revenue received pursuant to this section shall be utilized solely for the purposes of adult basic education programs. In no case shall federal and state aid plus levy equal more than 100 percent of the actual cost of providing these programs.

Sec. 17. Minnesota Statutes 1996, section 124.2601, subdivision 3, is amended to read:

Subd. 3. **AID REVENUE.** Adult basic education aid revenue for each approved program equals 65 percent of the general education formula allowance times the number of full-time equivalent students in its adult basic education program.

Sec. 18. Minnesota Statutes 1996, section 124.2601, subdivision 4, is amended to read:

Subd. 4. **LEVY.** To obtain adult basic education revenue, a district with an eligible program may levy an amount not to exceed the amount raised by .12 percent times the adjusted tax capacity of the district for the preceding year.

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Sec. 19. Minnesota Statutes 1996, section 124.2601, subdivision 5, is amended to read:

Subd. 5. **REVENUE AID.** Adult basic education revenue aid is equal to the sum of difference between an approved program's adult basic education aid revenue and its adult basic education levy. If the district does not levy the full amount permitted, the adult education aid must be reduced in proportion to the actual amount levied.

Sec. 20. Minnesota Statutes 1996, section 124.2601, subdivision 6, is amended to read:

Subd. 6. **AID GUARANTEE.** (a) For fiscal year 1994, any adult basic education program that receives less state aid under subdivisions 3 and 7 than from the aid formula for fiscal year 1992 shall receive the amount of aid it received in fiscal year 1992.

(b) For 1995 ~~and later~~, 1996, and 1997 fiscal years, an adult basic education program that receives aid shall receive at least the amount of aid it received in fiscal year 1992 under subdivisions 3 and 7, plus aid equal to the amount of revenue that would have been raised for taxes payable in 1994 under Minnesota Statutes 1992, section 124.2601, subdivision 4, minus the amount raised under subdivision 4.

(c) For fiscal year 1998, any adult basic education program that receives less state aid than in fiscal year 1997 shall receive additional aid equal to 80 percent of the difference between its 1997 aid and the amount of aid under subdivision 5. For fiscal year 1999 and later, additional aid under this paragraph must be reduced by 20 percent each year.

Sec. 21. Minnesota Statutes 1996, section 124.261, subdivision 1, is amended to read:

Subdivision 1. **AID ELIGIBILITY.** For fiscal year years 1996 1998 and later, adult high school graduation aid for eligible pupils age 21 or over, equals 65 percent of the general education formula allowance times 1.30 times the average daily membership under section 124.17, subdivision 2e. ~~For 1997 and later fiscal years, adult high school graduation aid per eligible pupil equals the amount established by the commissioner of children, families, and learning, in consultation with the commissioner of finance, based on the appropriation for this program.~~ Adult high school graduation aid must be paid in addition to any other aid to the district. Pupils age 21 or over may not be counted by the district for any purpose other than adult high school graduation aid.

Sec. 22. Minnesota Statutes 1996, section 124.2713, subdivision 6, is amended to read:

Subd. 6. **COMMUNITY EDUCATION LEVY.** To obtain community education revenue, a district may levy the amount raised by a tax rate of ~~1-1~~ 1.09 percent times the adjusted net tax capacity of the district. If the amount of the community education levy would exceed the community education revenue, the community education levy shall be determined according to subdivision 6a.

Sec. 23. Minnesota Statutes 1996, section 124.2713, subdivision 8, is amended to read:

Subd. 8. **USES OF GENERAL REVENUE.** (a) General community education revenue may be used for:

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- (1) nonvocational, recreational, and leisure time activities and programs;
  - (2) programs for adults with disabilities, if the programs and budgets are approved by the department of children, families, and learning;
  - (3) adult basic education programs, according to section 124.26;
  - (4) summer programs for elementary and secondary pupils;
  - (5) implementation of a youth development plan;
  - (6) implementation of a youth service program;
  - (7) early childhood family education programs, according to section 121.882; and
  - (8) extended day programs, according to section 121.88, subdivision 10.
- (9) In addition to money from other sources, a district may use up to ten percent of its community education revenue for equipment that is used exclusively in community education programs. This revenue may be used only for the following purposes:
- (i) to purchase or lease computers and related materials;
  - (ii) to purchase or lease equipment for instructional programs; and
  - (iii) to purchase textbooks and library books.

(b) General community education revenue must not be used to subsidize the direct activity costs for adult enrichment programs. Direct activity costs include, but are not limited to, the cost of the activity leader or instructor, cost of materials, or transportation costs.

Sec. 24. Minnesota Statutes 1996, section 124.2716, subdivision 3, is amended to read:

Subd. 3. **EXTENDED DAY LEVY.** To obtain extended day revenue, a school district may levy an amount equal to the district's extended day revenue as defined in subdivision 2 multiplied by the lesser of one, or the ratio of the quotient derived by dividing the adjusted net tax capacity of the district for the year before the year the levy is certified by the actual pupil units in the district for the school year to which the levy is attributable, to ~~\$3,700~~ \$3,767.

Sec. 25. Minnesota Statutes 1996, section 268.53, subdivision 5, is amended to read:

Subd. 5. **FUNCTIONS; POWERS.** A community action agency shall:

- (a) Plan systematically for an effective community action program; develop information as to the problems and causes of poverty in the community; determine how much and how effectively assistance is being provided to deal with those problems and causes; and establish priorities among projects, activities and areas as needed for the best and most efficient use of resources;
- (b) Encourage agencies engaged in activities related to the community action program to plan for, secure, and administer assistance available under section 268.52 or from other sources on a common or cooperative basis; provide planning or technical assistance to those agencies; and generally, in cooperation with community agencies and officials,

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undertake actions to improve existing efforts to reduce poverty, such as improving day-to-day communications, closing service gaps, focusing resources on the most needy, and providing additional opportunities to low-income individuals for regular employment or participation in the programs or activities for which those community agencies and officials are responsible;

(c) Initiate and sponsor projects responsive to needs of the poor which are not otherwise being met, with particular emphasis on providing central or common services that can be drawn upon by a variety of related programs, developing new approaches or new types of services that can be incorporated into other programs, and filling gaps pending the expansion or modification of those programs;

(d) Establish effective procedures by which the poor and area residents concerned will be enabled to influence the character of programs affecting their interests, provide for their regular participation in the implementation of those programs, and provide technical and other support needed to enable the poor and neighborhood groups to secure on their own behalf available assistance from public and private sources;

(e) Join with and encourage business, labor and other private groups and organizations to undertake, together with public officials and agencies, activities in support of the community action program which will result in the additional use of private resources and capabilities, with a view to developing new employment opportunities, stimulating investment that will have a measurable impact on reducing poverty among residents of areas of concentrated poverty, and providing methods by which residents of those areas can work with private groups, firms, and institutions in seeking solutions to problems of common concern.

Community action agencies, the Minnesota migrant council, and the Indian reservations, may enter into cooperative purchasing agreements and self-insurance programs with local units of government. Nothing in this section expands or limits the current private or public nature of a local community action agency.

(f) Adopt policies that require the agencies to refer area residents and community action program constituents to education programs that increase literacy, improve parenting skills, and address the needs of children from families in poverty. These programs include, but are not limited to, early childhood family education programs, adult basic education programs, and other life-long learning opportunities. The agencies and agency programs, including Head Start, shall collaborate with child care and other early childhood education programs to ensure smooth transitions to work for parents.

Sec. 26. Minnesota Statutes 1996, section 517.08, subdivision 1c, is amended to read:

Subd. 1c. **DISPOSITION OF LICENSE FEE.** Of the marriage license fee collected pursuant to subdivision 1b, the court administrator shall pay \$55 to the state treasurer to be deposited as follows:

(1) \$50 in the general fund;

(2) \$3 in the special revenue fund to be appropriated to the commissioner of ~~human services children, families, and learning~~ for supervised visitation facilities under section 256F.09; and

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(3) \$2 in the special revenue fund to be appropriated to the commissioner of health for developing and implementing the MN ENABL program under section 145.9255.

Sec. 27. Laws 1996, chapter 463, section 4, subdivision 2, as amended by Laws 1997, chapter 3, section 1, is amended to read:

Subd. 2. Youth Initiative Grants

16,000,000

For grants to local government units to design, furnish, equip, acquire, demolish, repair, replace, or construct parks and recreation buildings and school buildings to provide youth, with preference for youth in grades four through eight, with regular enrichment activities during nonschool hours, including after school, evenings, weekends, and school vacation periods, and that will provide equal access and programming for girls. The buildings may be leased to non-profit community organizations, subject to Minnesota Statutes, section 16A.695, for the same purposes. Enrichment programs include academic enrichment, homework assistance, computer and technology use, arts and cultural activities, clubs, school-to-work and work force development, athletic, and recreational activities. Grants must be used to expand the number of children participating in enrichment programs or improve the quality or range of program offerings. The facilities must be fully available for programming sponsored by youth-serving nonprofit and community groups, or school, county, or city programs, for maximum hours after school, evenings, weekends, summers, and other school vacation periods. Priority must be given to proposals that demonstrate collaboration among private, nonprofit, and public agencies, including regional entities dealing with at-risk youth, and community and parent organizations in arranging for programming, staffing, transportation, and equipment. All proposals must include an inventory of existing facilities and an assessment of programming needs in the community.

(a) Enrichment grants within the city of Minneapolis

5,000,000

Of this amount, at least \$2,500,000 must be used in the neighborhoods of the Near North,

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Hawthorne, Sumner– Glenwood–Harrison,  
Powderhorn, Central, Whittier, and Phillips.

(b) Enrichment grants within the  
city of St. Paul

5,000,000

Of this amount, at least \$2,500,000 must be used in the neighborhoods of Summit–University, Thomas–Dale, North End, Payne–Phalen, Daytons Bluff, and the West Side.

The remaining \$2,500,000 is available city-wide, with priority for some of the remaining amount given to proposals by public/private partnerships currently offering after–school enrichment programs in low–income areas in conjunction with a neighborhood–based organization. Up to \$100,000 of the remaining \$2,500,000 may be used to develop urban sports facilities for at–risk inner city youth, including those older than eighth grade.

(c) Enrichment grants outside of the cities  
of Minneapolis and St. Paul

6,000,000

Priority must be given to school attendance areas with high concentrations of children eligible for free or reduced school lunch and to government units demonstrating a commitment to collaborative youth efforts.

\$500,000 is to the city of Bloomington for after school enrichment activities in the northeast Bloomington study area.

The commissioner of children, families, and learning must make a grant of at least \$1,000,000 to a school district that is a part of a collaborative effort that has at least two other school districts, is multicultural and multijurisdictional, and has previously received a facility planning grant for collaborative purposes.

(d) Each grant must be matched by \$1 from local sources for each \$2 of state money. In-kind contributions of facilities may be used for the local match. The value of in-kind contributions must be determined by the commissioner of finance.

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(e) Preference must be given to projects for which at least ten percent of the youth initiative grant is expended using youthbuild under Minnesota Statutes, sections 268.361 to 268.367, or other youth employment and training programs, for the labor portion of the construction. Eligible programs must consult with appropriate labor organizations to deliver education and training.

#### Sec. 28. MINNESOTA ADOLESCENT PARENTING GRANT PROGRAM.

Subdivision 1. ESTABLISHMENT. A grant program is established to provide school-based, comprehensive, community-linked programs for ensuring the long-term self-sufficiency of adolescent families and the development and school readiness of their children.

Subd. 2. DEFINITION. For purposes of this section, "pregnancy prevention" means preventing pregnancies from occurring and does not include abortion services.

Subd. 3. GOALS. The goals of the adolescent parenting grant programs are to:

(1) assist pregnant and parenting adolescents to make significant gains in school attendance, attainment of state graduation standards, and acquisition of school-to-career skills;

(2) prevent child abuse and neglect by improving the parenting and communication skills of pregnant and parenting adolescents;

(3) reduce long-term welfare dependency among adolescent parents; and

(4) improve the outcomes for adolescent parents and their children in the number of healthy births; pregnancy prevention; cognitive, social, linguistic, and emotional development; immunization rates; access to primary health care; and school readiness.

Subd. 4. ELIGIBLE STUDENTS. The following students are eligible for support services under the adolescent parenting grant program:

(1) a student enrolled in a school district with an approved adolescent parenting program who is age 21 or younger and who is an expectant parent, custodial parent, or non-custodial parent; and

(2) a child of a student covered by clause (1) who is under the age of five and is not yet enrolled in kindergarten.

Subd. 5. GRANT APPLICATION. A school district, group of school districts, alternative learning programs approved by the commissioner, or family service collaboratives may apply for an adolescent parenting program grant to the commissioner of children, families, and learning. The application must include a detailed description of the program, including a description of the population to be served by the program, a description of the community agency or agencies collaborating with the site to provide support services, an explanation of how each of the program components will contribute to achieving program outcomes, the number of pupils to be served by the pilot program, a detailed budget that demonstrates the capacity to achieve the program's goals, and a com-

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prehensive evaluation plan for measuring progress toward achieving the program's goals.

Subd. 6. PROGRAM COMPONENTS. An adolescent parenting program must include:

(1) a high quality educational program provided in the least restrictive environment that includes strategies to ensure access to educational services, including flexible attendance policies and class scheduling, and grants academic credit for all work completed;

(2) to the extent possible, collaboration with other governmental agencies and community-based organizations to provide on-site support services, including child care;

(3) an individualized learning plan for each eligible student that includes career goals;

(4) assurance of compliance with requirements of Public Law Number 92-318, title IX, prohibiting discrimination against students due to their pregnant or parenting status;

(5) courses in parent education and life skills;

(6) accountability measures for student performance linked to graduation standards;

(7) professional development opportunities on adolescent pregnancy and parenting issues and strategies to achieve academic success with this student population;

(8) a system to document that adolescent parenting and prevention support funds were used to provide support services to eligible students;

(9) a comprehensive assessment of the district's adolescent pregnancy prevention programs and recommendations for improvements;

(10) a system for collecting and reporting specific student data, including goals and outcome measurements; and

(11) a program advisory council, which may consist of an existing local council.

Subd. 7. PROGRAM EVALUATION AND TESTIMONY. The commissioner of children, families, and learning shall conduct an evaluation of the adolescent parenting program after one year of implementation. The commissioner shall evaluate the program's impact on school attendance, academic achievement, graduation rates, parenting skills, health, and other outcomes that may be identified by the commissioner. The commissioner shall provide testimony on the evaluation results to the children, families, and learning committees of the legislature by January 15, 1999.

#### **Sec. 29. CITIZENSHIP PROMOTION PROGRAM.**

Subdivision 1. ESTABLISHMENT. A statewide citizenship promotion program is established to assist legal immigrants eligible to apply for United States citizenship. The program must consist of workshops designed to assist with citizenship application procedures, citizenship and English for citizenship classes, video citizenship instruction, and public education and information.

Subd. 2. GRANTS APPLICATION. The commissioner of children, families, and learning shall award grants to public or nonprofit organizations to operate the citizenship promotion program. Grants targeted for ethnic and geographic groups of immigrants

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must be approximately proportional to the number of immigrants eligible to apply for naturalization in the group and the level of program activities necessary to assist a particular group to attain citizenship. The organizations may include community-based ethnic or religious groups, school districts, post-secondary institutions, community action agencies, family service collaboratives, workforce development centers, and advocacy groups.

(a) To be eligible to receive a grant, an organization must:

(1) have documented experience in programs specifically designed for immigrant and refugee populations;

(2) provide access to legal counseling;

(3) provide bilingual teaching for preliterate, vulnerable populations and for those eligible for waiver of the English requirements;

(4) have facilities accessible to physically handicapped learners;

(5) ensure that no more than five percent of grant funds will be used for administration; and

(6) have a system for fiscal accounting and reporting.

(b) Grant applications must include:

(1) demonstrated organizational experience in English or citizenship instruction;

(2) population target goals for attaining citizenship;

(3) proposed class sizes and schedules;

(4) outreach and recruitment plans; and

(5) staff expertise description and training plans.

(c) Grants to operate application procedure workshops and to expand citizenship and English for citizenship classes must be awarded by September 15, 1997, with initial funding to target services to legal immigrants who have lost eligibility for federal SSI and Food Stamp programs.

Subd. 3. PROGRAM COMPONENTS. The citizenship promotion program must include:

(1) a public education program that prepares and distributes information about citizenship eligibility requirements, application procedures, test requirements, and opportunities for assistance;

(2) workshops to assist applicants for naturalization with the application process. Applications must be screened for completeness and legal advice must be available to applicants before applications are submitted to the United States Immigration and Naturalization Service. Participants in workshops must be screened for English proficiency and, upon request, enrolled in appropriate classes to prepare for the examination;

(3) support for existing classes for citizenship and English for citizenship and identification of new providers in underserved areas of the state. Classes must be supported and

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offered in native languages for those able to take the citizenship test in their native language. Within the limits of available funding, transportation, child care, and interpreter services must be provided; and

(4) a video instruction series to provide citizenship education throughout the state.

Subd. 4. **ADVISORY TASK FORCE.** The commissioner may create an advisory task force under section 15.014 to advise the commissioner on the citizenship promotion program. Members of the advisory task force must not participate in grant discussions in which they have a proposal for funding.

Subd. 5. **TESTIMONY.** The commissioner shall present testimony by February 1, 1998, to the family and early childhood education budget division in the senate and the family and early childhood education finance division in the house of representatives that summarizes the program activities, outcomes, and recommendations regarding the need for continuation.

### **Sec. 30. COOPERATIVE ENGLISH AS A SECOND LANGUAGE AND ADULT BASIC EDUCATION PROGRAMS.**

Subdivision 1. **NONPROFIT, COMMUNITY-BASED ORGANIZATIONS.** Any school district, or adult basic education consortium that receives revenue under Minnesota Statutes, section 124.2601, must collaborate with community-based organizations and nonprofit organizations within its district or region that have demonstrated the capacity to deliver English as a second language or citizenship programming. The district or consortium must consider an organization to have demonstrated the capacity to deliver programming if the organization has past experience or meets the criteria in subdivision 2. No more than eight percent of the total funds provided by a school district or an adult basic education consortium to a nonprofit or community-based organization under this section, may be used for the administrative costs of providing English as a second language, adult basic education, or citizenship programs.

Subd. 2. **ELIGIBILITY CRITERIA.** A community-based organization or nonprofit organization without past experience providing adult basic education services under Minnesota Statutes, section 124.2601, must demonstrate that it has met the following criteria:

- (1) be legally established as a nonprofit organization;
- (2) have facilities that are accessible to all learners;
- (3) have an established system for fiscal accounting and reporting that is consistent with the department of children, families, and learning's ABE completion report;
- (4) employ a licensed teacher; and
- (5) require all instructional staff to complete the Minnesota Literacy Council's 12-hour training session.

### **Sec. 31. APPROPRIATIONS.**

Subdivision 1. **DEPARTMENT OF CHILDREN, FAMILIES, AND LEARNING.** The sums indicated in this section are appropriated from the general fund to the department of children, families, and learning for the fiscal years designated.

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Subd. 2. FAMILY COLLABORATIVES. For family collaboratives according to Laws 1995, First Special Session chapter 3, article 4, section 29, subdivision 10:

<u>\$7,500,000</u>	<u>.....</u>	<u>1998</u>
<u>\$7,000,000</u>	<u>.....</u>	<u>1999</u>

Of the appropriation, \$150,000 each year is for grants targeted to assist in providing collaborative children's library service programs. To be eligible, a family collaborative grant recipient must collaborate with at least one public library and one children's or family organization. The public library must involve the regional public library system and multitype library system to which it belongs in the planning and provide for an evaluation of the program.

Of the amount for the family services collaborative in St. Paul, \$50,000 may be used for a grant for neighborhood-based services under section 2.

No more than 2.5 percent of the appropriation is available to the state to administer and evaluate the grant program.

Any balance in the first year does not cancel but is available in the second year.

Subd. 3. COMMUNITY EDUCATION AID. For community education aid according to Minnesota Statutes, section 124.2713:

<u>\$1,828,000</u>	<u>.....</u>	<u>1998</u>
<u>\$1,619,000</u>	<u>.....</u>	<u>1999</u>

The 1998 appropriation includes \$236,000 for 1997 and \$1,592,000 for 1998.

The 1999 appropriation includes \$175,000 for 1998 and \$1,444,000 for 1999.

Any balance the first year does not cancel but is available in the second year.

Subd. 4. ADULTS WITH DISABILITIES PROGRAM AID. For adults with disabilities programs according to Minnesota Statutes, section 124.2715:

<u>\$710,000</u>	<u>.....</u>	<u>1998</u>
<u>\$710,000</u>	<u>.....</u>	<u>1999</u>

Any balance in the first year does not cancel but is available in the second year.

Of this amount, \$40,000 each year may be used for pilot programs in regions of the state that don't currently have programs for adults with disabilities. These programs may not levy for fiscal year 1999 or later. This is a one-time appropriation and is not added to the base.

Subd. 5. HEARING-IMPAIRED ADULTS. For programs for hearing-impaired adults according to Minnesota Statutes, section 121.201:

<u>\$70,000</u>	<u>.....</u>	<u>1998</u>
<u>\$70,000</u>	<u>.....</u>	<u>1999</u>

Any balance in the first year does not cancel but is available in the second year.

New language is indicated by underline, deletions by ~~strikeout~~.

Subd. 6. VIOLENCE PREVENTION EDUCATION GRANTS. For violence prevention education grants according to Minnesota Statutes, section 126.78:

\$1,500,000	.....	1998
\$1,500,000	.....	1999

Of the amount each year, \$50,000 is for program administration.

Any balance in the first year does not cancel but is available in the second year.

Subd. 7. MALE RESPONSIBILITY. For male responsibility grants:

\$250,000	.....	1998
\$250,000	.....	1999

The commissioner of children, families, and learning may enter into cooperative agreements with the commissioner of human services to access federal money for child support and paternity education programs.

Any balance in the first year does not cancel but is available in the second year.

Subd. 8. ABUSED CHILDREN. For abused children programs according to Minnesota Statutes, section 119A.21:

\$1,048,000	.....	1998
\$1,079,000	.....	1999

Any balance in the first year does not cancel but is available in the second year.

Subd. 9. DRUG POLICY AND VIOLENCE PREVENTION PROGRAMS. For drug policy, violence prevention, and family visitation programs:

\$3,000,000	.....	1998
\$3,000,000	.....	1999

Any balance in the first year does not cancel but is available in the second year.

Up to \$400,000 each year is for grants for mentoring at-risk youth. Of the fiscal year 1998 appropriation, up to \$138,000 and of the fiscal year 1999 appropriation up to \$100,000 is for grants under Laws 1995, chapter 226, article 3, section 62.

Up to \$75,000 each year is for grants to community-based violence prevention councils.

Subd. 10. CHILDREN'S TRUST FUND. For children's trust fund according to Minnesota Statutes, sections 119A.12 and 119A.13:

\$247,000	.....	1998
\$247,000	.....	1999

Any balance in the first year does not cancel but is available in the second year.

Subd. 11. AFTER SCHOOL ENRICHMENT GRANTS. For after school enrichment grants according to Laws 1996, chapter 412, article 4, section 30:

\$4,907,000	.....	1998
\$4,907,000	.....	1999

The commissioner may use up to three percent of this appropriation to provide technical assistance to community organizations.

New language is indicated by underline, deletions by strikeout.

Any balance in the first year does not cancel but is available in the second year.

For fiscal year 1998, the commissioner may award grantees one additional year of funding up to the grant award in fiscal year 1997. For fiscal year 1999 and beyond, the appropriation must be used to award grants on a competitive basis.

Subd. 12. ALCOHOL-IMPAIRED DRIVER. (a) For grants with funds received under Minnesota Statutes, section 171.29, subdivision 2, paragraph (b), clause (4):

<u>\$200,000</u>	<u>.....</u>	<u>1998</u>
<u>\$200,000</u>	<u>.....</u>	<u>1999</u>

(b) These appropriations are from the alcohol-impaired driver account of the special revenue fund to the department of children, families, and learning for chemical abuse prevention grants.

(c) Up to \$200,000 each year may be used for chemical abuse prevention grants to provide a match for at least two community collaborative projects for children and youth developed by a regional organization established under Minnesota Statutes.

The regional organization must include a broad cross-section of public and private sector community representatives to address specific community needs of children and youth. A regional organization that receives a grant must provide a two-to-one match of nonstate dollars.

Subd. 13. EXTENDED DAY AID. For extended day aid according to Minnesota Statutes, section 124.2716:

<u>\$347,000</u>	<u>.....</u>	<u>1998</u>
<u>\$304,000</u>	<u>.....</u>	<u>1999</u>

The 1998 appropriation includes \$37,000 for 1997 and \$310,000 for 1998.

The 1999 appropriation includes \$34,000 for 1998 and \$270,000 for 1999.

Any balance in the first year does not cancel but is available in the second year.

Subd. 14. ADOLESCENT PARENTING GRANTS. For adolescent parenting grants under section 28:

<u>\$800,000</u>	<u>.....</u>	<u>1998</u>
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Any balance the first year does not cancel but is available in the second year. This money is available for fiscal years 1998 and 1999.

The commissioner shall make grants under this section to two metropolitan area school districts and two nonmetropolitan adolescent parenting programs.

Where applicable, the department shall assure the coordination of male responsibility grants, the Minnesota adolescent parenting program, ENABL, and any federal resources available to serve pregnant or parenting adolescents or programs for the prevention of pregnancy. Pregnancy prevention means to prevent pregnancies from occurring, and does not include abortion referral or services.

This appropriation is available for fiscal years 1998 and 1999 only. Up to 2.5 percent of the appropriation is available for administrative costs.

**New language is indicated by underline, deletions by strikeout.**

Subd. 15. LEAD HAZARD REDUCTION. For the lead hazard reduction program in Minnesota Statutes, section 268.92:

\$200,000                      . . . . .                      1998

The appropriation is available for the biennium ending June 30, 1999.

Of this amount, 25 percent is for a grant to the city of St. Louis Park to conduct lead testing and cleanup in the residential neighborhoods contaminated by an industrial lead site. The remaining amount is for a nonprofit organization that is currently operating the CLEARCorps lead hazard reduction project and is willing to expand its geographic service area.

Subd. 16. CITIZENSHIP PROMOTION PROGRAM. For the citizenship promotion program under section 29:

\$1,000,000                      . . . . .                      1998

Of this appropriation, up to 2.5 percent each year may be used for administrative costs. Any balance in the first year does not cancel but is available the second year.

Subd. 17. CHILD GUIDE PREVENTION PROGRAM. For the southwest and west central service cooperative to operate the Willmar child guide prevention program for children in kindergarten through grade 8 in independent school district No. 347, Willmar:

\$250,000                      . . . . .                      1998

Any balance in the first year does not cancel but is available in the second year.

Subd. 18. ADULT BASIC EDUCATION AID. For adult basic education aid according to Minnesota Statutes, section 124.26 in fiscal year 1998 and Minnesota Statutes, section 124.2601 in fiscal year 1999:

\$12,474,000                      . . . . .                      1998  
\$12,473,000                      . . . . .                      1999

The 1998 appropriation includes \$837,000 for 1997 and \$11,637,000 for 1998.

The 1999 appropriation includes \$1,293,000 for 1998 and \$11,180,000 for 1999.

\$75,000 each year is for the adult basic education technology project to design, implement, and evaluate the use of online technology applications for adult learners. A working group representing adult basic education programs with demonstrated skills in technology applications must work collaboratively on the technology project. The project must include an electronic curriculum that is consistent with the Minnesota graduation standards. The project must also identify and implement methods to transfer the curriculum and online methods to adult basic education providers and provide effective staff development. Any balance in the first year does not cancel but is available in the second year. This is a one-time appropriation and is not to be added to the base.

\$75,000 each year is for a grant to a public television station that serves rural areas of Minnesota to provide GED programming to aid immigrants and others who lack a high school diploma to obtain a GED in order to continue their education. Any balance in the

**New language is indicated by underline, deletions by ~~strikeout~~.**

first year does not cancel but is available in the second year. This is a one-time appropriation and is not to be added to the base.

Subd. 19. ADULT GRADUATION AID. For adult graduation aid according to Minnesota Statutes, section 124.261:

<u>\$2,550,000</u>	<u>.....</u>	<u>1998</u>
<u>\$2,550,000</u>	<u>.....</u>	<u>1999</u>

The 1998 appropriation includes \$224,000 for 1997 and \$2,326,000 for 1998.

The 1999 appropriation includes \$258,000 for 1998 and \$2,292,000 for 1999.

Subd. 20. GED TESTS. For payment of 60 percent of the costs of GED tests according to Laws 1993, chapter 224, article 4, section 44, subdivision 10:

<u>\$125,000</u>	<u>.....</u>	<u>1998</u>
<u>\$125,000</u>	<u>.....</u>	<u>1999</u>

Any balance in the first year does not cancel but is available in the second year.

**Sec. 32. REPEALER.**

Section 29 is repealed June 30, 1999.

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### ARTICLE 3

#### SELF-SUFFICIENCY PROGRAMS

Section 1. Minnesota Statutes 1996, section 119A.01, subdivision 3, is amended to read:

Subd. 3. **PURPOSE.** The purpose in creating the department is to increase the capacity of Minnesota communities to measurably improve the well-being of children and families by:

- (1) coordinating and integrating state funded and locally administered family and children programs;
- (2) improving flexibility in the design, funding, and delivery of programs affecting children and families;
- (3) providing greater focus on strategies designed to prevent problems affecting the well-being of children and families;
- (4) enhancing local decision making, collaboration, and the development of new governance models;
- (5) improving public accountability through the provision of research, information, and the development of measurable program outcomes;

New language is indicated by underline, deletions by ~~strikeout~~.

(6) increasing the capacity of communities to respond to the whole child by improving the ability of families to gain access to services;

(7) encouraging all members of a community to nurture all the children in the community; ~~and~~

(8) supporting parents in their dual roles as breadwinners and parents; ~~and~~

(9) reducing the condition of poverty for families and children through comprehensive, community-based strategies.

Sec. 2. Minnesota Statutes 1996, section 119A.04, subdivision 6, is amended to read:

**Subd. 6. FUNDING FOR TRANSFERRED PROGRAMS.** State appropriations for programs transferred under this section may not be used to replace appropriations for K-12 programs. State and federal appropriations for programs under subdivision 5a, transferred from the department of economic security, may not be used to replace, supplement, or supplant federal or state appropriations for any other program in the department.

Sec. 3. Minnesota Statutes 1996, section 119A.04, is amended by adding a subdivision to read:

**Subd. 7. GRANTEES OF TRANSFERRED PROGRAMS.** Except as provided in Minnesota Rules, chapter 3350, the commissioner shall not reduce the number of organizations or eliminate specific types of organizations that are eligible to directly apply for grants made by programs transferred from the department of economic security after January 1, 1997.

Sec. 4. Minnesota Statutes 1996, section 119A.15, is amended by adding a subdivision to read:

**Subd. 5a. EXCLUDED PROGRAMS.** Programs transferred to the department of children, families, and learning from the department of economic security may not be included in the consolidated funding account and are ineligible for local consolidation. The commissioner may not apply for federal waivers to include these programs in funding consolidation initiatives. The programs include the following:

(1) programs for the homeless under sections 268.365, 268.38, and 268.39;

(2) emergency energy assistance and energy conservation programs under sections 4.071 and 268.371;

(3) weatherization programs under section 268.37;

(4) foodshelf programs under section 268.55 and the emergency food assistance program; and

(5) lead abatement programs under section 268.92.

Sec. 5. **WORKER PARTICIPATION COMMITTEES.**

Notwithstanding Minnesota Statutes, section 15.059, subdivision 6, the worker participation committees established under Laws 1995, First Special Session chapter 3, article 16, section 10, subdivision 3, do not expire until June 30, 1999.

New language is indicated by underline, deletions by ~~strikeout~~.



**Sec. 6. LOW-INCOME ENERGY ASSISTANCE; REPORT OF FINDINGS.**

The commissioner who administers the low-income energy assistance program shall identify potential revenue sources for the low-income energy assistance program. This must be done, to the extent possible, in cooperation with the commissioner of revenue, the commissioner of public service, the public utilities commission, members representing the industry including the delivered fuel industry, rural electric cooperatives, regulated utilities, municipal utilities, and representatives of low-income energy advocates and other consumer advocates. By January 31, 1998, the commissioner shall make recommendations to the appropriate legislative committees on potential sources of revenue to provide assistance to low-income energy consumers including, but not limited to:

- (1) a surcharge on summer delivered fuel fills;
- (2) all fuels charge;
- (3) margin over rack programs;
- (4) revenue-based and Btu-based wires charges; and
- (5) general revenue funds.

**Sec. 7. EMERGENCY SERVICES GRANTS.**

Subdivision 1. DEFINITIONS. (a) The definitions in this subdivision apply to this section.

(b) "Commissioner" means the commissioner of children, families, and learning.

(c) "Eligible organization" means a local governmental unit or nonprofit organization providing or seeking to provide emergency services for homeless persons.

(d) "Emergency services" means:

- (1) providing emergency shelter for homeless persons; and
- (2) assisting homeless persons in obtaining essential services, including:
  - (i) access to permanent housing;
  - (ii) medical and psychological help;
  - (iii) employment counseling and job placement;
  - (iv) substance abuse treatment;
  - (v) financial assistance available from other programs;
  - (vi) emergency child care;
  - (vii) transportation; and
  - (viii) other services needed to stabilize housing.

Subd. 2. PROGRAM ESTABLISHED; PURPOSE. An emergency services grant program is established to provide homeless persons essential services and emergency shelter in safe, sanitary, and decent facilities. The grant program is to help eligible organizations improve the quality of existing shelters, make available other emergency

New language is indicated by underline, deletions by ~~strikeout~~.

housing, meet the operating and maintenance costs of shelters, and provide essential services to homeless persons. The program shall be administered by the commissioner.

Subd. 3. DISTRIBUTION OF GRANTS. The commissioner shall make grants so as to ensure that emergency services are available to meet the needs of homeless persons statewide.

Subd. 4. MATCHING FUNDS. The commissioner may require a grantee to match the grant amount with \$1 of nonstate funds for every \$2 of grant funds. The match may be in-kind, including the value of volunteer time, or in cash, or a combination of the two.

Subd. 5. APPLICATIONS. An eligible organization may apply to the commissioner for a grant to initiate, maintain, or expand a program providing emergency services for homeless persons. The commissioner shall determine the timing and form of the application for the program.

Subd. 6. CRITERIA FOR GRANT AWARDS. The commissioner shall award grants based on the following criteria:

- (1) that the application is for a grant to provide emergency services;
- (2) evidence of the applicant's need for state assistance and of the need for the particular emergency services to be funded; and
- (3) long-range plans for future funding if the need continues to exist for the emergency services.

Subd. 7. PROGRAM INFORMATION. In order to collect uniform data to measure better the nature and extent of the need for emergency services, grant recipients shall collect and make available to the commissioner the following information:

- (1) the number of persons who seek emergency shelter and where they are seeking shelter;
- (2) the number of persons for whom shelter is provided and where, by age, sex, and whether as an individual or part of a family;
- (3) the reasons for seeking assistance;
- (4) the length of stay;
- (5) the reasons for leaving the shelter; and
- (6) the demand for essential services.

#### **Sec. 8. APPROPRIATIONS.**

Subdivision 1. DEPARTMENT OF CHILDREN, FAMILIES, AND LEARNING. The sums indicated in this section are appropriated from the general fund to the department of children, families, and learning for the fiscal years designated.

Subd. 2. MINNESOTA ECONOMIC OPPORTUNITY GRANTS. For Minnesota economic opportunity grants:

<u>\$9,000,000</u>	<u>.....</u>	<u>1998</u>
<u>\$9,000,000</u>	<u>.....</u>	<u>1999</u>

Of this appropriation, the commissioner may use up to 5.4 percent each year for state operations.

**New language is indicated by underline, deletions by strikeout.**

Any balance in the first year does not cancel but is available in the second year.

Subd. 3. TRANSITIONAL HOUSING PROGRAMS. For transitional housing programs according to Minnesota Statutes, section 268.38:

<u>\$1,728,000</u>	<u>.....</u>	<u>1998</u>
<u>\$1,728,000</u>	<u>.....</u>	<u>1999</u>

Any balance in the first year does not cancel but is available in the second year.

Of this appropriation, up to five percent each year may be used for administrative costs. A portion of this appropriation may be used for the emergency services grant program under section 7.

Subd. 4. FOOD BANK PROGRAM. For foodshelf programs according to Minnesota Statutes, section 268.55:

<u>\$1,250,000</u>	<u>.....</u>	<u>1998</u>
<u>\$1,250,000</u>	<u>.....</u>	<u>1999</u>

Any balance in the first year does not cancel but is available in the second year.

Subd. 5. EMERGENCY FOOD ASSISTANCE. For emergency food assistance according to Laws 1995, chapter 224, section 5, subdivision 3:

<u>\$97,000</u>	<u>.....</u>	<u>1998</u>
<u>\$97,000</u>	<u>.....</u>	<u>1999</u>

Any balance in the first year does not cancel but is available in the second year.

Subd. 6. TRANSFERS; WEATHERIZATION; ENERGY ASSISTANCE. For the biennium ending June 30, 1999, the commissioner shall transfer to the low-income home weatherization program at least five percent of the money received under the low-income home energy assistance block grant in each year of the biennium and shall spend all of the transferred money during the year of the transfer or the year following the transfer. Up to 1.63 percent of the transferred money may be used by the commissioner for administrative purposes.

For the biennium ending June 30, 1999, no more than 1.63 percent of money remaining under the low-income home energy assistance program after transfers to the weatherization program may be used by the commissioner for administrative purposes.

## ARTICLE 4

### CHILD CARE

Section 1. Minnesota Statutes 1996, section 119B.01, is amended by adding a subdivision to read:

Subd. 7a. DEPARTMENT. "Department" means the department of children, families, and learning.

New language is indicated by underline, deletions by ~~strikeout~~.

Sec. 2. Minnesota Statutes 1996, section 119B.01, subdivision 8, is amended to read:

Subd. 8. **EDUCATION PROGRAM.** "Education program" means remedial or basic education or English as a second language instruction, a program leading to a general equivalency or high school diploma, post-secondary programs excluding postbaccalaureate programs, and other education and training needs as documented in an employability employment plan that is developed by an employment and training service provider certified by the commissioner of economic security or an individual designated by the county to provide employment and training services, as defined in subdivision 9. The employability employment plan must outline education and training needs of a recipient, meet state requirements for employability employment plans, meet the requirements of this chapter, and Minnesota Rules, parts ~~9565.5000~~ 3400.0010 to ~~9565.5200~~ 3400.0230, and meet the requirements of programs that provide federal reimbursement for child care services.

Sec. 3. Minnesota Statutes 1996, section 119B.01, subdivision 9, is amended to read:

Subd. 9. **EMPLOYMENT PROGRAM PLAN.** "Employment program plan" means employment of recipients financially eligible for child care assistance, pre-employment activities, or other work activities approved in an employability development, job search support plan, or employment plan that is developed by the county agency, if it is acting as an employment and training service provider, or by an employment and training service provider certified by the commissioner of economic security or an individual designated by the county to provide employment and training services. The plans and designation of a service provider must meet the requirements of this chapter and chapter 256J or chapter 256K, Minnesota Rules, parts ~~9565.5000~~ 3400.0010 to ~~9565.5200~~ 3400.0230, and other programs that provide federal reimbursement for child care services.

Sec. 4. Minnesota Statutes 1996, section 119B.01, subdivision 12, is amended to read:

Subd. 12. **INCOME.** "Income" means earned or unearned income received by all family members 16 years or older, including public assistance cash benefits, unless specifically excluded. The following are excluded from income: funds used to pay for health insurance premiums for family members, Supplemental Security Income, scholarships, work-study income, and grants that cover costs for tuition, fees, books, and educational supplies; student loans for tuition, fees, books, supplies, and living expenses; earned income tax credits; in-kind income such as food stamps, energy assistance, medical assistance, and housing subsidies; income from summer or part-time employment of 16-, 17-, and 18-year-old full-time secondary school students; earned income of full or part-time secondary school students up to the age of 19, including summer employment; grant awards under the family subsidy program; and nonrecurring lump sum income only to the extent that it is earmarked and used for the purpose for which it is paid; and any income assigned to the public authority according to section 256.74 or section 256.741, if enacted.

Sec. 5. Minnesota Statutes 1996, section 119B.01, is amended by adding a subdivision to read:

New language is indicated by underline, deletions by ~~strikeout~~.

Subd. 12a. **MFIP-S.** "MFIP-S" means the Minnesota family investment program—statewide, the state's TANF program under Public Law Number 104-193, Title I.

Sec. 6. Minnesota Statutes 1996, section 119B.01, subdivision 15, is amended to read:

Subd. 15. **AFDC.** "AFDC" means the aid to families with dependent children program under sections 256.72 to 256.87; the MFIP program under sections 256.031 to 256.0361 and 256.0475 to 256.049; the MFIP-S program under chapter 256J; and the work first program under chapter 256K, whichever program is in effect.

Sec. 7. Minnesota Statutes 1996, section 119B.01, subdivision 16, is amended to read:

Subd. 16. **TRANSITION YEAR FAMILIES.** "Transition year families" means families who lose have received AFDC for at least three of the last six months before losing eligibility for AFDC due to increased hours of employment, increased income from employment or child or spousal support, or the loss of income disregards due to time limitations, as provided under Public Law Number 100-485.

Sec. 8. Minnesota Statutes 1996, section 119B.01, subdivision 17, is amended to read:

Subd. 17. **CHILD CARE FUND.** "Child care fund" means a program under this chapter providing:

(1) financial assistance for child care to parents engaged in employment or the short-term provision of at-home infant care for their own child or education and training leading to employment; and

(2) grants to develop, expand, and improve the access and availability of child care services statewide.

Sec. 9. Minnesota Statutes 1996, section 119B.02, is amended to read:

#### 119B.02 DUTIES OF COMMISSIONER.

The commissioner shall develop standards for county and human services boards to provide child care services to enable eligible families to participate in employment, training, or education programs. Within the limits of available appropriations, the commissioner shall distribute money to counties to reduce the costs of child care for eligible families. The commissioner shall adopt rules to govern the program in accordance with this section. The rules must establish a sliding schedule of fees for parents receiving child care services. The rules shall provide that funds received as a lump sum payment of child support arrearages shall not be counted as income to a family in the month received but shall be prorated over the 12 months following receipt and added to the family income during those months. In the rules adopted under this section, county and human services boards shall be authorized to establish policies for payment of child care spaces for absent children, when the payment is required by the child's regular provider. The rules shall not set a maximum number of days for which absence payments can be made, but instead shall direct the county agency to set limits and pay for absences according to the prevailing market practice in the county. County policies for payment of absences shall be subject to the approval of the commissioner. The commissioner shall maximize the use of

New language is indicated by underline, deletions by ~~strikeout~~.

federal money in section 256.736 and other programs that provide federal or state reimbursement for child care services for recipients of aid to low-income families with dependent children who are in education, training, job search, or other activities allowed under those programs. Money appropriated under this section must be coordinated with the programs that provide federal reimbursement for child care services to accomplish this purpose. Federal reimbursement obtained must be allocated to the county that spent money for child care that is federally reimbursable under programs that provide federal reimbursement for child care services. The counties shall use the federal money to expand child care services. The commissioner may adopt rules under chapter 14 to implement and coordinate federal program requirements.

Sec. 10. Minnesota Statutes 1996, section 119B.03, subdivision 3, is amended to read:

Subd. 3. **ELIGIBLE RECIPIENTS.** Families that meet the eligibility requirements under sections 119B.09, except AFDC recipients, MFIP recipients, and transition year families, and 119B.10 are eligible for child care assistance under the basic sliding fee program. Families enrolled in the basic sliding fee program as of July 1, 1990, shall be continued until they are no longer eligible. ~~Counties shall make vendor payments to the child care provider or pay the parent directly for eligible child care expenses on a reimbursement basis.~~ Child care assistance provided through the child care fund is considered assistance to the parent.

Sec. 11. Minnesota Statutes 1996, section 119B.03, subdivision 4, is amended to read:

Subd. 4. **FUNDING PRIORITY.** (a) First priority for child care assistance under the basic sliding fee program must be given to eligible non-AFDC families who do not have a high school or general equivalency diploma or who need remedial and basic skill courses in order to pursue employment or to pursue education leading to employment. Within this priority, the following subpriorities must be used:

- (1) child care needs of minor parents;
  - (2) child care needs of parents under 21 years of age; and
  - (3) child care needs of other parents within the priority group described in this paragraph.
- (b) Second priority must be given to parents who have completed their AFDC transition year.

(c) Third priority must be given to families who are eligible for portable basic sliding fee assistance through the portability pool under section 119B.03, subdivision 9.

Sec. 12. Minnesota Statutes 1996, section 119B.03, subdivision 5, is amended to read:

Subd. 5. **REVIEW OF USE OF FUNDS; REALLOCATION.** (a) After each quarter, the commissioner shall review the use of basic sliding fee program allocations by county. The commissioner may reallocate unexpended or unencumbered money among those counties who have expended their full allocation or may allow a county to expend up to ten percent of its allocation in the subsequent allocation period.

New language is indicated by underline, deletions by ~~strikeout~~.

(b) Any unexpended money state and federal appropriations from the first year of the biennium may be carried forward to the second year of the biennium.

Sec. 13. Minnesota Statutes 1996, section 119B.03, subdivision 6, is amended to read:

Subd. 6. **ALLOCATION FORMULA.** Beginning January 1, 1996, except as provided in subdivision 7, the basic sliding fee state and federal funds shall be allocated on a calendar year basis. Funds shall be allocated first in amounts equal to each county's guaranteed floor according to subdivision 8, with any remaining available funds allocated according to the following formula:

(a) One-third of the funds shall be allocated in proportion to each county's total expenditures for the basic sliding fee child care program reported during the most recent calendar year completed at the time of the notice of allocation.

(b) One-third of the funds shall be allocated based on the number of children under age 13 in each county who are enrolled in general assistance medical care, medical assistance, and MinnesotaCare on December 31 of the most recent calendar year completed at the time of the notice of allocation.

(c) One-third of the funds shall be allocated based on the number of children under age 13 who reside in each county, from the most recent estimates of the state demographer.

Sec. 14. Minnesota Statutes 1996, section 119B.03, subdivision 7, is amended to read:

Subd. 7. **SIX-MONTH ALLOCATION EXCEPTION.** For the period from July 1, 1995, to December 31, 1995, every county shall receive an allocation at least equal and proportionate to one-half of its original allocation in state fiscal year 1995. This six-month allocation shall be combined with the calendar year 1996 allocation and be administered as one 18-month allocation. 1997, to December 31, 1998, each county must receive an amount equal to its original calendar year 1997 allocation. The remaining funds must be allocated according to the following formula:

(a) Two-thirds of the funds must be allocated in proportion to each county's original calendar year 1997 allocation for the basic sliding fee program.

(b) One-third of the funds must be allocated in proportion to each county's most recently reported waiting list as defined in section 119B.03, subdivision 2.

When funding increases are implemented within a calendar year, every county must receive an allocation at least equal and proportionate to its original allocation for the same time period. The remainder of the allocation must be recalculated to reflect the funding increase and according to the formulas identified in subdivision 6 and this subdivision.

Sec. 15. Minnesota Statutes 1996, section 119B.03, subdivision 8, is amended to read:

Subd. 8. **GUARANTEED FLOOR.** (a) Beginning January 1, 1996, each county's guaranteed floor shall equal 90 percent of the allocation received in the preceding calendar year. For the calendar year 1996 allocation, the preceding calendar year shall be considered to be double the six-month allocation as provided for in subdivision 7. For the

New language is indicated by underline, deletions by strikeout.

period January 1, 1999, to December 31, 1999, each county's guaranteed floor must be equal to its original calendar year 1998 allocation or its actual earnings for calendar year 1998, whichever is less.

(b) When the amount of funds available for allocation is less than the amount available in the previous year, each county's previous year allocation shall be reduced in proportion to the reduction in the statewide funding, for the purpose of establishing the guaranteed floor.

Sec. 16. Minnesota Statutes 1996, section 119B.03, is amended by adding a subdivision to read:

Subd. 9. PORTABILITY POOL. (a) The commissioner shall establish a pool of up to five percent of the annual appropriation for the basic sliding fee program to provide continuous child care assistance for eligible families who move between Minnesota counties. At the end of each allocation period, any unspent funds in the portability pool must be added to the funds available for reallocation. If expenditures from the portability pool exceed the amount of money available, the reallocation pool must be reduced to cover these shortages.

(b) To be eligible for portable basic sliding fee assistance, a family that has moved from a county in which it was receiving basic sliding fee assistance to a county with a waiting list for the basic sliding fee program must:

(1) meet the income and eligibility guidelines for the basic sliding fee program; and

(2) notify the new county of residence within 30 days of moving and apply for basic sliding fee assistance in the new county of residence.

(c) The receiving county must:

(1) accept administrative responsibility for applicants for portable basic sliding fee assistance at the end of the two months of assistance under the unitary residency act;

(2) continue basic sliding fee assistance for the lesser of six months or until the family is able to receive assistance under the county's regular basic sliding program; and

(3) notify the commissioner through the quarterly reporting process of any family that meets the criteria of the portable basic sliding fee assistance pool.

Sec. 17. Minnesota Statutes 1996, section 119B.03, is amended by adding a subdivision to read:

Subd. 10. APPLICATION; ENTRY POINTS. Two or more methods of applying for the basic sliding fee program must be available to applicants in each county. To meet the requirements of this subdivision, a county may provide alternative methods of applying for assistance, including, but not limited to, a mail application, or application sites that are located outside of government offices.

Sec. 18. Minnesota Statutes 1996, section 119B.04, is amended to read:

119B.04 FEDERAL AT-RISK CHILD CARE PROGRAM AND DEVELOPMENT FUND.

Subdivision 1. COMMISSIONER TO ADMINISTER PROGRAM. The commissioner of children, families, and learning is authorized and directed to receive, admin-

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ister, and expend funds available under the ~~at-risk child care program and development fund~~ under Public Law Number ~~101-508~~ ~~(1)~~ 104-193, Title I.

Subd. 2. **RULEMAKING AUTHORITY.** The commissioner may adopt rules under chapter 14 to administer the ~~at-risk child care program and development fund.~~

Sec. 19. Minnesota Statutes 1996, section 119B.05, subdivision 1, is amended to read:

Subdivision 1. **ELIGIBLE RECIPIENTS.** Families eligible for guaranteed child care assistance under the AFDC child care program are:

- (1) persons receiving services under ~~section 256.736~~ sections 256.031 to 256.04;
- (2) AFDC recipients who are employed or in job search and meet the requirements of section 119B.10;
- (3) persons who are members of transition year families under section 119B.01, subdivision 16;
- (4) members of the control group for the STRIDE evaluation conducted by the Manpower Demonstration Research Corporation; and
- (5) AFDC caretakers who are participating in the STRIDE and non-STRIDE AFDC child care program;
- (6) families who are participating in employment orientation or job search, or other employment or training activities that are included in an approved employability development plan under chapter 256K; and
- (7) MFIP-S families who are participating in work activities as required in their job search support or employment plan, or in appeals, hearings, assessments, or orientations according to chapter 256J. Child care assistance to support work activities as described in section 256J.49 must be available according to sections 119B.01, subdivision 8, 121.882, 256E.08, 268.916, and 611A.32 and titles IVA, IVB, IVE, and XX of the Social Security Act.

Sec. 20. Minnesota Statutes 1996, section 119B.05, subdivision 5, is amended to read:

Subd. 5. **FEDERAL REIMBURSEMENT.** Counties shall maximize their federal reimbursement under ~~Public Law Number 100-485 or other federal reimbursement programs for money spent for persons eligible under this chapter.~~ The commissioner shall allocate any federal earnings to the county to be used to expand child care services under this chapter.

Sec. 21. Minnesota Statutes 1996, section 119B.05, subdivision 6, is amended to read:

Subd. 6. **ACCESS CHILD CARE PROGRAM.** (a) Starting one month after April 30, 1992, the commissioner shall reimburse eligible expenditures for 2,000 family slots for AFDC caretakers not eligible for services under section 256.736, who are engaged in an authorized educational or job search program. Each county will receive a number of family slots based on the county's proportion of the AFDC caseload. A county must receive at least two family slots. Eligibility and reimbursement are limited to the number of

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family slots allocated to each county. County agencies shall authorize an educational plan for each student and may prioritize families eligible for this program in their child care fund plan upon approval of the commissioner.

(b) Persons eligible for but unable to participate in the JOBS (STRIDE) program because of a waiting list may be accepted as a new participant, or continue to participate in the ACCESS child care program if a slot is available as long as all other eligibility factors are met. Child care assistance must continue under the ACCESS child care program until the participant loses eligibility or is enrolled in project STRIDE.

(c)(1) Effective July 1, 1995, the commissioner shall reclaim 90 percent of the vacant slots in each county and distribute those slots to counties with waiting lists of persons eligible for the ACCESS child care program. The slots must be distributed to eligible families based on the July 1, 1995, waiting list placement date, first come, first served basis.

(2) ACCESS child care slots remaining after the waiting list under clause (1) has been eliminated must be distributed to eligible families on a first come, first served basis, based on the client's date of request.

(3) The county must notify the commissioner when an ACCESS slot in the county becomes available. Notification by the county must be within five calendar days of the effective date of the termination of the ACCESS child care services. The resulting vacant slot must be returned to the department of children, families, and learning. The slot must then be redistributed under clause (2).

(4) The commissioner shall consult with the task force on child care and make recommendations to the 1996 legislature for future distribution of the ACCESS slots under this paragraph. Effective July 1, 1997, no new applicants may be accepted in the ACCESS program. Current ACCESS participants shall continue to receive assistance until July 1, 1998, if all other conditions of eligibility are met.

## Sec. 22. [119B.061] AT-HOME INFANT CHILD CARE PROGRAM.

Subdivision 1. ESTABLISHMENT. Beginning July 1, 1998, a family receiving or eligible to receive assistance under the basic sliding fee program is eligible for assistance for a parent to provide short-term child care for the family's infant child. An eligible family must meet the eligibility factors under section 119B.09, the income criteria under section 119B.12, and the requirements of this section. The commissioner shall establish a pool of up to seven percent of the annual appropriation for the basic sliding fee program to provide assistance under the at-home infant child care program. At the end of the fiscal year, any unspent funds must be used for assistance under the basic sliding fee program.

Subd. 2. ELIGIBLE FAMILIES. A family with an infant under the age of one year is eligible for assistance if:

(1) the family is not receiving MFIP-S, other cash assistance, or other child care assistance;

(2) the family has not previously received the one-year exemption from the work requirement for infant care under the MFIP-S program;

(3) the family has not previously received a life-long total of 12 months of assistance under this section; and

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(4) the family is participating in the basic sliding fee program or, for the first child in a family, provides verification of employment at the time of application and meets the program requirements.

Subd. 3. ELIGIBLE PARENT. Only one parent, in a two-parent family, is eligible for assistance. The eligible parent must:

- (1) be over the age of 18;
- (2) provide full-time care for the child in the child's home; and
- (3) provide child care for any other children in the family that are eligible for child care.

Subd. 4. ASSISTANCE. (a) A family is limited to a lifetime total of 12 months of assistance under this section. The maximum rate of assistance must be at 75 percent of the rate established under section 119B.13 for care of infants in licensed family day care in the applicant's county of residence. Assistance must be calculated to reflect the copay requirement and the family's income level.

(b) A participating family must continue to report income and other family changes as specified in the county's plan under section 119B.08, subdivision 3. The family must treat any assistance received under this section as unearned income.

(c) Participation in the at-home infant child care program must be considered participation in the basic sliding fee program for purposes of continuing eligibility under section 119B.03, subdivision 3.

(d) A family that receives assistance under this section is ineligible for the one-year exemption from work requirements under the MFIP-S program.

Subd. 5. IMPLEMENTATION. By July 1, 1998, the commissioner shall implement the at-home infant child care program under this section. The commissioner shall evaluate this program and report the impact to the legislature by January 1, 2000. The evaluation must include data on the number of families participating in the program; the number of families continuing to pursue employment or education while participating in the program; the average income of families prior to, during, and after participation in the program; family size; and single parent and two-parent status.

Sec. 23. Minnesota Statutes 1996, section 119B.05, is amended by adding a subdivision to read:

Subd. 7. CHILD CARE ASSISTANCE DIVERSION. A one-year program is established to provide assistance to participants under the working family assistance program established in chapter 256J who are participating in an authorized activity under section 256J.03, subdivision 4, and who are eligible for child care assistance according to chapter 119B as a reimbursement for expenses related to the costs of education, training, or transportation when all of the following conditions exist:

- (1) child care needs during participation in the authorized activity are being met by a legal child care provider as defined in section 119B.01, subdivision 13;
- (2) the participant cannot reasonably arrange for the education, training, or transportation costs to be met through alternate arrangements;

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(3) the child care arrangement provides a transition to a stable child care and employment arrangement and does not disrupt the continuity of care for children; and

(4) the arrangement does not exceed two months.

The commissioner shall select one county in the seven-county metropolitan area to participate in the program. Assistance must be available only to residents of the selected county. Assistance granted under this subdivision must not exceed 1/12 of the average annual cost of care as established for the administering county in the previous state fiscal year for each authorized month. Assistance under this subdivision is available to a recipient on a one-time basis.

Sec. 24. Minnesota Statutes 1996, section 119B.07, is amended to read:

#### **119B.07 USE OF MONEY.**

Money for persons listed in sections 119B.03, subdivision 3, and 119B.05, subdivision 1, shall be used to reduce the costs of child care for students, including the costs of child care for students while employed if enrolled in an eligible education program at the same time and making satisfactory progress towards completion of the program. Counties may not limit the duration of child care subsidies for a person in an employment or educational program, except when the person is found to be ineligible under the child care fund eligibility standards. Any limitation must be based on a person's employability plan in the case of an AFDC recipient, and county policies included in the child care allocation plan. The maximum length of time a student is eligible for child care assistance under the child care fund for education and training is no more than the time necessary to complete the credit requirements for an associate or baccalaureate degree as determined by the educational institution, excluding basic or remedial education programs needed to prepare for post-secondary education or employment. To be eligible, the student must be in good standing and be making satisfactory progress toward the degree. Time limitations for child care assistance, as specified in Minnesota Rules, parts 9565.5000 to 9565.5200, do not apply to basic or remedial educational programs needed to prepare for post-secondary education or employment. These programs include: high school, general equivalency diploma, and English as a second language. Programs exempt from this time limit must not run concurrently with a post-secondary program. High school students who are participating in a post-secondary options program and who receive a high school diploma issued by the school district are exempt from the time limitations while pursuing a high school diploma. Financially eligible students who have received child care assistance for one academic year shall be provided child care assistance in the following academic year if funds allocated under sections 119B.03 and 119B.05 are available. If an AFDC recipient who is receiving AFDC child care assistance under this chapter moves to another county, continues to participate in educational or training programs authorized in their employability development plans, and continues to be eligible for AFDC child care assistance under this chapter, the AFDC caretaker must receive continued child care assistance from the county responsible for their current employability development plan, without interruption.

#### **Sec. 25. [119B.075] RESERVE ACCOUNT.**

A reserve account must be created within the general fund for all unexpended basic sliding fee child care, TANF child care, or other child care funds under the jurisdiction of the commissioner. Any funds for those purposes that are unexpended at the end of a bien-

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mium must be deposited in this reserve account, and may be appropriated on an ongoing basis by the commissioner for basic sliding fee child care or TANF child care.

Sec. 26. Minnesota Statutes 1996, section 119B.08, subdivision 1, is amended to read:

Subdivision 1. **QUARTERLY REPORTS.** The commissioner shall specify requirements for reports, including quarterly fiscal reports, according to under the same authority as provided to the commissioner of human services in section 256.01, subdivision 2, paragraph (17). Counties shall submit on forms prescribed by the commissioner a quarterly financial and program activity report. The failure to submit a complete report by the end of the quarter in which the report is due may result in a reduction of child care fund allocations equal to the next quarter's allocation. The financial and program activity report must include:

(1) a detailed accounting of the expenditures and revenues for the program during the preceding quarter by funding source and by eligibility group;

(2) a description of activities and concomitant expenditures that are federally reimbursable under federal reimbursement programs;

(3) a description of activities and concomitant expenditures of child care money;

(4) information on money encumbered at the quarter's end but not yet reimbursable, for use in adjusting allocations as provided in section 119B.03, subdivision 5; and

(5) other data the commissioner considers necessary to account for the program or to evaluate its effectiveness in preventing and reducing participants' dependence on public assistance and in providing other benefits, including improvement in the care provided to children.

Sec. 27. Minnesota Statutes 1996, section 119B.08, subdivision 3, is amended to read:

Subd. 3. **CHILD CARE FUND PLAN.** Effective January 1, 1992, the county will include the plan required under this subdivision in its biennial community social services plan required in this section, for the group described in section 256E.03, subdivision 2, paragraph (h). For the period July 1, 1989, to December 31, 1991, the county shall submit separate child care fund plans required under this subdivision for the periods July 1, 1989, to June 30, 1990; and July 1, 1990, to December 31, 1991. The commissioner shall establish the dates by which the county must submit these plans. The county and designated administering agency shall submit to the commissioner an annual child care fund allocation plan. The plan shall include:

(1) a narrative of the total program for child care services, including all policies and procedures that affect eligible families and are used to administer the child care funds;

(2) the number of families that requested a child care subsidy in the previous year, the number of families receiving child care assistance, the number of families on a waiting list, and the number of families projected to be served during the fiscal year;

(3) the methods used by the county to inform eligible groups of the availability of child care assistance and related services;

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- (4) (3) the provider rates paid for all children by provider type;
- (5) (4) the county prioritization policy for all eligible groups under the basic sliding fee program and AFDC child care program; and
- (6) a report of all funds available to be used for child care assistance, including demonstration of compliance with the maintenance of funding effort required under section 119B.11; and
- (7) (5) other information as requested by the department to ensure compliance with the child care fund statutes and rules promulgated by the commissioner.

The commissioner shall notify counties within 60 days of the date the plan is submitted whether the plan is approved or the corrections or information needed to approve the plan. The commissioner shall withhold a county's allocation until it has an approved plan. Plans not approved by the end of the second quarter after the plan is due may result in a 25 percent reduction in allocation. Plans not approved by the end of the third quarter after the plan is due may result in a 100 percent reduction in the allocation to the county. Counties are to maintain services despite any reduction in their allocation due to plans not being approved.

Sec. 28. Minnesota Statutes 1996, section 119B.09, subdivision 1, is amended to read:

Subdivision 1. **GENERAL ELIGIBILITY FACTORS REQUIREMENTS FOR ALL APPLICANTS FOR CHILD CARE ASSISTANCE.** (a) Child care services must be available to families who need child care to find or keep employment or to obtain the training or education necessary to find employment and who:

(a) (1) meet the requirements of section 119B.05; receive aid to families with dependent children, MFIP-S, or work first, whichever is in effect; and are receiving employment and training services under section 256.736 or chapter 256J or 256K;

(b) (2) have household income below the eligibility levels for aid to families with dependent children; or

(c) (3) have household income within a range established by the commissioner.

(d) (b) Child care services for the families receiving aid to families with dependent children must be made available as in-kind services, to cover any difference between the actual cost and the amount disregarded under the aid to families with dependent children program. Child care services to families whose incomes are below the threshold of eligibility for aid to families with dependent children, but are not AFDC caretakers, must be made available with the minimum same copayment required by federal law of AFDC caretakers or MFIP-S caregivers.

(c) All applicants for child care assistance and families currently receiving child care assistance must be assisted and required to cooperate in establishment of paternity and enforcement of child support obligations as a condition of program eligibility. For purposes of this section, a family is considered to meet the requirement for cooperation when the family complies with the requirements of section 256.741, if enacted.

Sec. 29. Minnesota Statutes 1996, section 119B.09, subdivision 2, is amended to read:

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Subd. 2. **SLIDING FEE.** Child care services to families with incomes in the commissioner's established range must be made available on a sliding fee basis. The lower limit of the sliding fee range must be the eligibility limit for aid to families with dependent children. The upper limit of the range must be neither less than 70 percent nor more than 90 percent of the state median income for a family of four, adjusted for family size.

Sec. 30. Minnesota Statutes 1996, section 119B.09, is amended by adding a subdivision to read:

Subd. 6. **MAXIMUM CHILD CARE ASSISTANCE.** The maximum amount of child care assistance a local agency may authorize in a two-week period is 120 hours per child.

Sec. 31. Minnesota Statutes 1996, section 119B.09, is amended by adding a subdivision to read:

Subd. 7. **ELIGIBILITY FOR ASSISTANCE.** The date of eligibility for child care assistance under this chapter is the later of the date the application was signed; the beginning date of employment, education, or training; or the date a determination has been made that the applicant is a participant in employment and training services under Minnesota Rules, part 3400.0080, subpart 2a, section 256.736, or chapter 256J or 256K. The date of eligibility for the basic sliding fee at-home infant child care program is the later of the date the infant is born or, in a county with a basic sliding fee wait list, the date the family applies for at-home infant child care. Payment ceases for a family under the at-home infant child care program when a family has used a total of 12 months of assistance as specified under section 119B.061. Payment of child care assistance for employed persons on AFDC is effective the date of employment or the date of AFDC eligibility, whichever is later. Payment of child care assistance for MFIP-S or work first participants in employment and training services is effective the date of commencement of the services or the date of MFIP-S or work first eligibility, whichever is later. Payment of child care assistance for transition year child care must be made retroactive to the date of eligibility for transition year child care.

Sec. 32. Minnesota Statutes 1996, section 119B.09, is amended by adding a subdivision to read:

Subd. 8. **NO EMPLOYEE-EMPLOYER RELATIONSHIPS.** Receipt of federal, state, or local funds by a child care provider either directly or through a parent who is a child care assistance recipient does not establish an employee-employer relationship between the child care provider and the county or state.

Sec. 33. Minnesota Statutes 1996, section 119B.10, subdivision 1, is amended to read:

Subdivision 1. **ASSISTANCE FOR PERSONS SEEKING AND RETAINING EMPLOYMENT.** (a) Persons who are seeking employment and who are eligible for assistance under this section are eligible to receive up to 240 hours of child care assistance per calendar year.

(b) Employed persons who work at least an average of ten 20 hours a week and receive at least a minimum wage for all hours worked are eligible for continued child care assistance. Child care assistance during employment must be authorized as provided in paragraphs (c) and (d).

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(c) When the caregiver works for an hourly wage and the hourly wage is equal to or greater than the applicable minimum wage, child care assistance shall be provided for the actual hours of employment, break, and meal time during the employment and travel time up to two hours per day.

(d) When the caregiver does not work for an hourly wage, child care assistance must be provided for the lesser of:

(1) the amount of child care determined by dividing gross earned income by the applicable minimum wage, up to one hour every eight hours for meals and break time, plus up to two hours per day for travel time; or

(2) the amount of child care equal to the actual amount of child care used during employment, including break and meal time during employment, and travel time up to two hours per day.

Sec. 34. Minnesota Statutes 1996, section 119B.11, subdivision 1, is amended to read:

Subdivision 1. **COUNTY CONTRIBUTIONS REQUIRED.** Beginning July 1, 1995 1997, in addition to payments from basic sliding fee child care program participants, counties each county shall contribute from county tax or other sources at the a fixed local match percentage calculated according to subdivision 2 equal to its calendar year 1996 required county contribution reduced by the administrative funding loss that would have occurred in state fiscal year 1996 under section 119B.15. The commissioner shall recover funds from the county as necessary to bring county expenditures into compliance with this subdivision.

Sec. 35. Minnesota Statutes 1996, section 119B.11, is amended by adding a subdivision to read:

Subd. 2a. **RECOVERY OF OVERPAYMENTS.** An amount of child care assistance paid to a recipient in excess of the payment due is recoverable by the county agency. The overpayment must be recovered through recoupment as identified in Minnesota Rules, part 9565.5110, subpart 11, items A and B, if the family remains eligible for assistance. If the family no longer remains eligible for child care assistance, the county may choose to initiate efforts to recover overpayments from the family for overpayment less than \$50. If the overpayment is greater than or equal to \$50, the county shall seek voluntary repayment of the overpayment from the family. If the county is unable to recoup the overpayment through voluntary repayment, the county shall initiate civil court proceedings to recover the overpayment unless the county's costs to recover the overpayment will exceed the amount of the overpayment. A family with an outstanding debt under this subdivision is not eligible for child care assistance until the debt is paid in full or satisfactory arrangements are made with the county to retire the debt.

Sec. 36. Minnesota Statutes 1996, section 119B.11, subdivision 3, is amended to read:

Subd. 3. **FEDERAL MONEY; STATE RECOVERY.** The commissioner shall recover from counties any state or federal money that was spent for persons found to be ineligible, except if the recovery is made by a county agency using any method other than recoupment, the county may keep 25 percent of the recovery. If a federal audit exception is taken based on a percentage of federal earnings, all counties shall pay a share proportional to their respective federal earnings during the period in question.

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Sec. 37. Minnesota Statutes 1996, section 119B.12, is amended to read:

**119B.12 SLIDING FEE SCALE.**

**Subdivision 1. FEE SCHEDULE.** In setting the sliding fee schedule, the commissioner shall exclude from the amount of income used to determine eligibility an amount for federal and state income and social security taxes attributable to that income level according to federal and state standardized tax tables. The commissioner shall base the parent fee on the ability of the family to pay for child care. The fee schedule must be designed to use any available tax credits.

**Subd. 2. PARENT FEE.** A family's monthly parent fee must be a fixed percentage of its annual gross income. Parent fees must apply to families eligible for child care assistance under sections 119B.03 and 119B.05. Income must be as defined in section 119B.01, subdivision 12. The fixed percent is based on the relationship of the family's annual gross income to 100 percent of state median income. Beginning January 1, 1998, parent fees must begin at 75 percent of the poverty level. The minimum parent fees for families between 75 percent and 100 percent of poverty level must be \$5 per month. Parent fees for families with incomes at or above the poverty level must not decrease due to the addition of family members after the family's initial eligibility determination. Parent fees must be established in rule and must provide for graduated movement to full payment.

Sec. 38. Minnesota Statutes 1996, section 119B.13, subdivision 1, is amended to read:

**Subdivision 1. SUBSIDY RESTRICTIONS.** Effective July 1, 1991, the maximum rate paid for child care assistance under the child care fund is the maximum rate eligible for federal reimbursement. The rate may not exceed the 75th percentile rate for like-care arrangements in the county as surveyed by the commissioner. A rate which includes a provider bonus paid under subdivision 2 or a special needs rate paid under subdivision 3 may be in excess of the maximum rate allowed under this subdivision. The department of children, families, and learning shall monitor the effect of this paragraph on provider rates. The county shall pay the provider's full charges for every child in care up to the maximum established. The commissioner shall determine the maximum rate for each type of care, including special needs and handicapped care. Not less than once every two years, the county shall evaluate rates for payment of absent spaces and shall establish policies for payment of absent days that reflect current market practice.

When the provider charge is greater than the maximum provider rate allowed, the parent is responsible for payment of the difference in the rates in addition to any family copayment fee.

Sec. 39. Minnesota Statutes 1996, section 119B.13, is amended by adding a subdivision to read:

**Subd. 5. PROVIDER NOTICE.** The county shall inform both the family receiving assistance under chapter 119B and the child care provider of the payment amount and how and when payment will be received. If the county sends a family a notice that child care assistance will be terminated, the county shall inform the provider that unless the family requests to continue to receive assistance pending an appeal, child care payments will no longer be made. The notice to the vendor must not contain any private data on the family or information on why payment will no longer be made.

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Sec. 40. Minnesota Statutes 1996, section 119B.13, is amended by adding a subdivision to read:

Subd. 6. **PROVIDER PAYMENTS.** Counties shall make vendor payments to the child care provider or pay the parent directly for eligible child care expenses. If payments for child care assistance are made to providers, the provider shall bill the county for services provided within ten days of the end of the month of service. If bills are submitted in accordance with the provisions of subdivision 6, a county shall issue payment to the provider of child care under the child care fund within 30 days of receiving an invoice from the provider. Counties may establish policies that make payments on a more frequent basis. A county's payment policies must be included in the county's child care plan under section 119B.08, subdivision 3.

Sec. 41. Minnesota Statutes 1996, section 119B.15, is amended to read:

**119B.15 ADMINISTRATIVE EXPENSES.**

The commissioner shall use up to ~~one-eleventh~~ 1/21 of the state and federal funds available for the basic sliding fee program and 1/21 of the state and federal funds available for the AFDC child care program for payments to counties for administrative expenses.

Sec. 42. Minnesota Statutes 1996, section 119B.16, subdivision 1, is amended to read:

Subdivision 1. **FAIR HEARING ALLOWED.** An applicant or recipient adversely affected by a county agency action may request a fair hearing in accordance with section 256.045, subdivision 3.

Sec. 43. Minnesota Statutes 1996, section 119B.18, is amended by adding a subdivision to read:

Subd. 3. **CHILD DEVELOPMENT EDUCATION AND TRAINING LOANS.** The commissioner shall establish a child development education and training loan program to be administered by the regional child care resource and referral programs. The commissioner shall establish application procedures, eligibility criteria, terms, and other conditions necessary to make educational loans under this section. A single applicant may not receive more than \$1,500 per year under this program. All or part of the loan may be forgiven if the applicant continues to provide child care services for a period of 12 months following the completion of all courses paid for by the educational loan.

Sec. 44. Minnesota Statutes 1996, section 119B.20, subdivision 7, is amended to read:

Subd. 7. **FACILITY IMPROVEMENT EXPENSES.** "Facility improvement expenses" means funds for building improvements, equipment, appropriate technology and software, toys, and supplies needed to establish, expand, or improve a licensed child care facility or a child care program under the jurisdiction of the state a local board of education.

Sec. 45. Minnesota Statutes 1996, section 119B.20, subdivision 9, is amended to read:

Subd. 9. **MINI-GRANTS TECHNICAL ASSISTANCE AWARDS.** "Mini-grants" "Technical assistance awards" means child care grants to family child care pro-

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viders for facility improvements that are up to \$1,000. Mini-grants Awards include, but are not limited to, improvements to meet licensing requirements, improvements to expand a child care facility or program, appropriate technology and software, toys and equipment, start-up costs, staff training, and development costs.

Sec. 46. Minnesota Statutes 1996, section 119B.20, subdivision 10, is amended to read:

Subd. 10. **RESOURCE AND REFERRAL PROGRAM.** "Resource and referral program" means a program that provides information to parents, including referrals and coordination of community child care resources for parents and public or private providers of care. It also means the agency with the duties specified in sections 119B.18 and 119B.19. Services may include parent education, technical assistance for providers, staff development programs, and referrals to social services recruitment of new providers, parent education, training, technical assistance for providers, and referrals to social services.

Sec. 47. Minnesota Statutes 1996, section 119B.21, subdivision 1, is amended to read:

Subdivision 1. **GRANTS ESTABLISHED.** The commissioner shall award grants to develop child care services, including child care service development grants for start-up and facility improvement expenses, interim financing, resource and referral programs, and staff training expenses, and grants for child care resource and referral programs. Child care services service development grants may include mini-grants family child care technical assistance awards up to \$1,000. The commissioner shall develop a grant application form, inform county social service agencies about the availability of child care services grants, and set a date by which applications must be received by the commissioner.

The commissioner may renew grants to existing resource and referral agencies that have met state standards and have been designated as the child care resource and referral service for a particular geographical area. The recipients of renewal grants are exempt from the proposal review process.

Sec. 48. Minnesota Statutes 1996, section 119B.21, subdivision 2, is amended to read:

Subd. 2. **DISTRIBUTION OF FUNDS.** (a) The commissioner shall allocate grant money appropriated for child care service development among the development regions designated by the governor under section 462.385, as follows considering the following factors for each economic development region:

(1) 50 percent of the child care service development grant appropriation shall be allocated to the metropolitan economic development region; and

(2) 50 percent of the child care service development grant appropriation shall be allocated to economic development regions other than the metropolitan economic development region.

(b) The following formulas shall be used to allocate grant appropriations among the economic development regions:

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(1) 50 percent of the funds shall be allocated in proportion to the ratio of children under 12 years of age in each economic development region to the total number of children under 12 years of age in all economic development regions; and

(2) 50 percent of the funds shall be allocated in proportion to the ratio of children under 12 years of age in each economic development region to the number of licensed child care spaces currently available in each economic development region

(1) the number of children under 13 years of age needing child care in the service area;

(2) the geographic area served by the agency;

(3) the ratio of children under 13 years of age needing child care to the number of licensed spaces in the service area;

(4) the number of licensed child care providers and extended day school age child care programs in the service area; and

(5) other related factors determined by the commissioner.

(e) ~~(b)~~ Out of the amount allocated for each economic development region, the commissioner shall award grants based on the recommendation of the grant review child care regional advisory task force committees. In addition, the commissioner shall award no more than 75 percent of the money either to child care facilities for the purpose of facility improvement or interim financing or to child care workers for staff training expenses.

~~(d)~~ ~~(c)~~ Any funds unobligated may be used by the commissioner to award grants to proposals that received funding recommendations by the advisory task force regional advisory committees but were not awarded due to insufficient funds.

~~(e)~~ ~~(d)~~ The commissioner may allocate grants under this section for a two-year period and may carry forward funds from the first year as necessary.

Sec. 49. Minnesota Statutes 1996, section 119B.21, subdivision 3, is amended to read:

Subd. 3. **CHILD CARE REGIONAL ADVISORY COMMITTEES.** Child care regional advisory committees shall review and make recommendations to the commissioner on applications for family child care technical assistance awards and service development grants under this section. The commissioner shall appoint the child care regional advisory committees in each governor's economic development region. People appointed under this subdivision must represent the following constituent groups: family child care providers, group center providers, parent users, health services, social services, public schools, Head Start, employers, and other citizens with demonstrated interest in child care issues. Members of the advisory task force with a direct financial interest in a pending grant proposal may not provide a recommendation or participate in the ranking of that grant proposal. Committee members may be reimbursed for their actual travel, child care, and child care provider substitute expenses for up to six committee meetings per year. The child care regional advisory committees shall complete their reviews and forward their recommendations to the commissioner by the date specified by the commissioner.

Sec. 50. Minnesota Statutes 1996, section 119B.21, subdivision 4, is amended to read:

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Subd. 4. **DISTRIBUTION OF FUNDS FOR CHILD CARE RESOURCE AND REFERRAL PROGRAMS.** (a) The commissioner shall allocate funds appropriated for child care resource and referral services considering the following factors for each economic development region served by the child care resource and referral agency:

- (1) the number of children under 13 years of age needing child care in the service area;
- (2) the geographic area served by the agency;
- (3) the ratio of children under 13 years of age needing care to the number of licensed spaces in the service area;
- (4) the number of licensed child care providers and extended day school age child care programs in the service area; and
- (5) other related factors determined by the commissioner.

(b) The commissioner may renew grants to existing resource and referral agencies that have met state standards and have been designated as the child care resource and referral service for a particular geographical area. The recipients of renewal grants are exempt from the proposal review process.

Sec. 51. Minnesota Statutes 1996, section 119B.21, subdivision 5, is amended to read:

Subd. 5. **PURPOSES FOR WHICH A CHILD CARE SERVICES GRANT MAY BE AWARDED.** The commissioner may award grants for any of the following purposes:

- (1) child care service development grants for the following purposes:
  - (i) for creating new licensed day care facilities and expanding existing facilities, including, but not limited to, supplies, equipment, facility renovation, and remodeling;
  - (2) (ii) for improving licensed day care facility programs, including, but not limited to, staff specialists, staff training, supplies, equipment, and facility renovation and remodeling. ~~In awarding grants for training, priority must be given to child care workers caring for infants, toddlers, sick children, children in low-income families, and children with special needs;~~
  - (3) (iii) for supportive child development services including, but not limited to, in-service training, curriculum development, consulting specialist, resource centers, and program and resource materials;
  - (4) (iv) for carrying out programs including, but not limited to, staff, supplies, equipment, facility renovation, and training;
  - (5) (v) for interim financing; and
  - (6) for carrying out the resource and referral program services identified in section 119B.19, subdivision 3 (vi) family child care technical assistance awards; and
  - (vii) for capacity building through the purchase of appropriate technology and software, and staff training to create, enhance, and maintain financial systems for facilities;

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(2) child care resource and referral program services identified in section 119B.19, subdivision 3; or

(3) targeted recruitment initiatives to expand and build capacity of the child care system.

Sec. 52. Minnesota Statutes 1996, section 119B.21, subdivision 6, is amended to read:

Subd. 6. **FUNDING PRIORITIES; FACILITY IMPROVEMENT AND, INTERIM FINANCING, AND TRAINING GRANTS.** In evaluating applications for funding and making recommendations to the commissioner, the ~~grant review advisory task force~~ child care regional advisory committees shall rank and give priority to:

(1) new programs or projects, or the expansion or improvement of existing programs or projects in areas where a demonstrated need for child care facilities has been shown, with special emphasis on programs or projects in areas where there is a shortage of licensed child care;

(2) new programs and projects, or the expansions or enrichment of existing programs or projects that serve sick children, infants or toddlers, children with special needs, ~~and children from low-income families,~~ or parents needing child care during nonstandard hours;

(3) unlicensed providers who wish to become licensed; ~~and~~

(4) improvement of existing programs;

(5) child care programs seeking accreditation and child care providers seeking certification; and

(6) entities that will use grant money for scholarships for child care workers attending educational or training programs sponsored by the entity.

Sec. 53. Minnesota Statutes 1996, section 119B.21, subdivision 8, is amended to read:

Subd. 8. **ELIGIBLE GRANT RECIPIENTS.** Eligible recipients of child care grants are licensed providers of child care, or those in the process of being licensed, resource and referral programs, or corporations or public agencies, or any combination thereof. ~~With the exception of mini-grants, priority for child care grants shall be given to grant applicants as follows:~~

~~(1) public and private nonprofit agencies;~~

~~(2) employer-based child care centers;~~

~~(3) for-profit child care centers; and~~

~~(4) family day care providers.~~

Sec. 54. Minnesota Statutes 1996, section 119B.21, subdivision 9, is amended to read:

Subd. 9. **GRANT MATCH REQUIREMENTS.** Child care grants for facility improvements, interim financing, resource and referral, and staff training and development

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require a 25 percent local match by the grant applicant. A local match is not required for a minigrant family child care technical assistance award.

Sec. 55. Minnesota Statutes 1996, section 119B.21, subdivision 10, is amended to read:

Subd. 10. **CHILD CARE MINI-GRANTS FAMILY CHILD CARE TECHNICAL ASSISTANCE AWARDS.** Mini-grants Technical assistance awards for child care service development must be used by the family child care provider grantee for facility improvements, including, but not limited to, improvements to meet licensing requirements, improvements to expand the facility, toys and equipment, start-up costs, interim financing, or staff training and development. Priority for child care mini-grants shall be given to grant applicants as follows:

- (1) family day care providers;
- (2) public and private nonprofit agencies;
- (3) employer-based child care centers; and
- (4) for-profit child care centers.

Sec. 56. Minnesota Statutes 1996, section 119B.21, subdivision 11, is amended to read:

Subd. 11. **ADVISORY TASK FORCE.** The commissioner shall may convene a statewide advisory task force which shall advise the commissioner on grants and or other child care issues. The statewide advisory task force shall review and make recommendations to the commissioner on child care resource and referral grants and on statewide service development and child care training grants. Members of the advisory task force with a direct financial interest in a resource and referral or a statewide training proposal may not provide a recommendation or participate in the ranking of that grant proposal. The following constituent groups must be represented: family child care providers, center providers, parent users, health services, social services, Head Start, public schools, employers, and other citizens with demonstrated interest in child care issues. Each regional grant review committee formed under subdivision 3, shall appoint a representative to the advisory task force. Additional members may be appointed by the commissioner. The commissioner may convene meetings of the task force as needed. Terms of office and removal from office are governed by the appointing body. The commissioner may compensate members for their travel, child care, and child care provider substitute expenses for meetings of the task force. The members of the child care advisory task force shall also meet once with the interagency advisory committee on child care under section 256H.25.

Sec. 57. [119B.25] **CHILD CARE IMPROVEMENT GRANTS.**

Subdivision 1. **PURPOSE.** The purpose of this section is to enhance and expand child care sites, to encourage private investment in child care and early childhood education sites, to promote availability of quality, affordable child care throughout Minnesota, and to provide for cooperation between private nonprofit child care organizations, family child care and center providers and the department.

Subd. 2. **GRANTS.** The commissioner shall distribute money provided by this section through a grant to a nonprofit corporation organized to plan, develop, and finance

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early childhood education and child care sites. The nonprofit corporation must have demonstrated the ability to analyze financing projects, have knowledge of other sources of public and private financing for child care and early childhood education sites, and have a relationship with the resource and referral programs under section 119B.18. The board of directors of the nonprofit corporation must include members who are knowledgeable about early childhood education, child care, development and improvement, and financing. The commissioners of the departments of children, families, and learning and trade and economic development, and the commissioner of the housing finance agency shall advise the board on the loan program. The grant must be used to make loans to improve child care or early childhood education sites, or loans to plan, design, and construct or expand licensed and legal unlicensed sites to increase the availability of child care or early childhood education. All loans made by the nonprofit corporation must comply with section 363.03, subdivision 8.

Subd. 3. FINANCING PROGRAM. A nonprofit corporation that receives a grant under this section shall use the money to:

(1) establish a revolving loan fund to make loans to existing, expanding, and new licensed and legal unlicensed child care and early childhood education sites;

(2) establish a fund to guarantee private loans to improve or construct a child care or early childhood education site;

(3) establish a fund to provide forgivable loans or grants to match all or part of a loan made under this section; and

(4) establish a fund as a reserve against bad debt.

The nonprofit corporation shall establish the terms and conditions for loans and loan guarantees including, but not limited to, interest rates, repayment agreements, private match requirements, and conditions for loan forgiveness. The nonprofit corporation shall establish a minimum interest rate for loans to ensure that necessary loan administration costs are covered. The nonprofit corporation may use interest earnings for administrative expenses.

Subd. 4. REPORTING. A nonprofit corporation that receives a grant under this section shall:

(1) annually report by September 30 to the commissioner the purposes for which the money was used in the past fiscal year, including a description of projects supported by the financing, an account of loans made during the calendar year, the financing program's assets and liabilities, and an explanation of administrative expenses; and

(2) annually submit to the commissioner a copy of the report of an independent audit performed in accordance with generally accepted accounting practices and auditing standards.

Sec. 58. Minnesota Statutes 1996, section 121.8355, subdivision 1, is amended to read:

Subdivision 1. **ESTABLISHMENT.** (a) In order to qualify as a family services collaborative, a minimum of one school district, one county, one public health entity, one community action agency as defined in section 268.53, and one Head Start grantee if the

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community action agency is not the designated federal grantee for the Head Start program must agree in writing to provide coordinated family services and commit resources to an integrated fund. Collaboratives are expected to have broad community representation, which may include other local providers, including additional school districts, counties, and public health entities, other municipalities, public libraries, existing culturally specific community organizations, tribal entities, local health organizations, private and nonprofit service providers, child care providers, local foundations, community-based service groups, businesses, local transit authorities or other transportation providers, community action agencies under section 268.53, senior citizen volunteer organizations, parent organizations, parents, and sectarian organizations that provide nonsectarian services.

(b) ~~Community-based collaboratives composed of representatives of schools, local businesses, local units of government, parents, students, clergy, health and social services providers, youth service organizations, and existing culturally specific community organizations may plan and develop services for children and youth. A community-based collaborative must agree to collaborate with county, school district, community action, and public health entities. Their services may include opportunities for children or youth to improve child health and development, reduce barriers to adequate school performance, improve family functioning, provide community service, enhance self-esteem, and develop general employment skills.~~

(e) Members of the governing bodies of political subdivisions involved in the establishment of a family services collaborative shall select representatives of the nongovernmental entities listed in paragraph (a) to serve on the governing board of a collaborative. The governing body members of the political subdivisions shall select one or more representatives of the nongovernmental entities within the family service collaborative.

Sec. 59. Minnesota Statutes 1996, section 124.2615, subdivision 1, is amended to read:

Subdivision 1. **PROGRAM REVIEW AND APPROVAL.** By February 15, 1992, for the 1991-1992 school year or by January 1 of May 1 preceding subsequent school years, a district must submit to the commissioners of children, families, and learning, and health, human services, and economic security:

- (1) a description of the services to be provided;
- (2) a plan to ensure children at greatest risk receive appropriate services;
- (3) a description of procedures and methods to be used to coordinate public and private resources to maximize use of existing community resources, including school districts, health care facilities, government agencies, neighborhood organizations, and other resources knowledgeable in early childhood development;
- (4) comments about the district's proposed program by the advisory council required by section 121.831, subdivision 7; and
- (5) agreements with all participating service providers.

Each commissioner may review and comment on the program, and make recommendations to the commissioner of children, families, and learning, within 30 days of receiving the plan.

New language is indicated by underline, deletions by ~~strikeout~~.

Sec. 60. Minnesota Statutes 1996, section 124.2615, subdivision 2, is amended to read:

Subd. 2. **AMOUNT OF AID.** (a) A district is eligible to receive learning readiness aid if the program plan as required by subdivision 1 has been approved by the commissioner of children, families, and learning. The aid is equal to:

(1) \$200 for fiscal year 1992 and \$300 for fiscal year 1993 times the number of eligible four-year old children residing in the district, as determined according to section 124.2711, subdivision 2; plus

(2) \$100 for fiscal year 1992 and \$300 for fiscal year 1993 times the result of;

(3) the ratio of the number of pupils enrolled in the school district from families eligible for the free or reduced school lunch program to the total number of pupils enrolled in the school district; times

(4) the number of children in clause (1).

(b) For fiscal year 1994 1998 and thereafter, a district shall receive learning readiness aid equal to:

(1) the number of eligible four-year old children in the district times the ratio of 50 percent of the total learning readiness aid for that year to the total number of eligible four-year old children reported to the commissioner for that year; plus

(2) the number of participating eligible children times the ratio of 15 percent of the total learning readiness aid for that year to the total number of participating eligible children for that year; plus

(3) the number of pupils enrolled in the school district from families eligible for the free or reduced school lunch program times the ratio of ~~35~~ 50 percent of the total learning readiness aid for that year to the total number of pupils in the state from families eligible for the free or reduced school lunch program.

#### Sec. 61. **EARLY CHILDHOOD PROFESSIONAL DEVELOPMENT.**

The Minnesota Institute for Early Childhood Professional Development shall make recommendations by January 15, 1998, related to the qualifications for child care center staff and family child care providers to the commissioners of human services and children, families, and learning and the Minnesota state legislature. Recommendations must be made in the following areas:

(1) whether the procedures for licensing individuals should be separated from the licensing of the program and physical plant of child care centers and homes;

(2) which entity would be the most appropriate to issue individual licenses;

(3) core competencies which are based on the age of the children served and type of provider; and

(4) the amount of preservice training, experience, and in-service training for child care providers.

#### Sec. 62. **UNIVERSAL APPLICATION FORM; BASIC SLIDING FEE PROGRAM.**

New language is indicated by underline, deletions by strikeout.

The commissioner of children, families, and learning shall develop a universal application form for the basic sliding fee program. The commissioner shall make the form available to all counties. Counties may use the universal application form to implement a mail application process for the basic sliding fee program.

**Sec. 63. APPROPRIATIONS.**

**Subdivision 1. DEPARTMENT OF CHILDREN, FAMILIES, AND LEARNING.** The sums indicated in this section are appropriated from the general fund to the department of children, families, and learning for the fiscal years designated. The commissioner shall encourage the use of child care dollars for the development of collaborative partnerships with Head Start and early childhood family education.

**Subd. 2. BASIC SLIDING FEE CHILD CARE.** For child care assistance according to Minnesota Statutes, section 119B.03:

\$41,751,000	.....	1998
\$50,751,000	.....	1999

Any balance in the first year does not cancel but is available the second year.

Of this appropriation, the department shall allocate the amount necessary to administer the at-home child care program under section 22.

**Subd. 3. TANF CHILD CARE.** For child care assistance according to Minnesota Statutes, section 119B.05:

\$34,331,000	.....	1998
\$64,838,000	.....	1999

Up to \$500,000 of the fiscal year 1998 appropriation may be used for grants under section 23.

Any balance in the first year does not cancel but is available in the second year.

**Subd. 4. CHILD CARE ADMINISTRATION.** For administration of child care assistance programs according to Minnesota Statutes, sections 119B.03 and 119B.05, and development programs according to Minnesota Statutes, section 119B.21:

\$826,000	.....	1998
\$232,000	.....	1999

Any balance in the first year does not cancel but is available in the second year.

Of the fiscal year 1998 appropriation, \$594,000 is a one-time appropriation and is not to be added to the permanent base.

**Subd. 5. CHILD CARE DEVELOPMENT.** For child care development grants according to Minnesota Statutes, section 119B.21:

\$5,865,000	.....	1998
\$1,865,000	.....	1999

Of the fiscal year 1998 appropriation, up to \$2,000,000 is for the following grants:

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(1) a grant to the Minnesota licensed family child care association for statewide implementation of the family child care mentorship model developed by the association;

(2) a grant to the Minnesota child care apprentice/mentor program to modify the apprentice/mentor program for statewide implementation through the child care careers program of the community/technical college system;

(3) a grant to expand project impact, which prepares child care providers and staff who are members of a community of color, as that term is defined in Minnesota Statutes, section 257.076, subdivision 3, to meet or exceed the education and experience requirements of assistant teachers, teachers, and family day care providers in licensed child care programs;

(4) expansion of the Minnesota child care apprentice/mentor program, which prepares child care center staff to meet or exceed the education and experience requirements of teachers in licensed child care centers;

(5) grants to the regional child care resource and referral programs under Minnesota Statutes, section 119B.18, and education and training loans made by the regional child care resource and referral programs under the loan program established in section 119B.18. No more than 2.5 percent of this appropriation may be used for administration of the loan program; and

(6) a grant to a nonprofit corporation under Minnesota Statutes, section 119B.25. Up to five percent of the grant may be used by the department and the nonprofit corporation to administer the loan program including costs associated with setting up an information system to administer child care and early childhood education facility loans.

Presented to the governor May 15, 1997

Signed by the governor May 16, 1997, 2:20 p.m.

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#### CHAPTER 163—H.F.No. 892

VETOED

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#### CHAPTER 164—S.F.No. 97

*An act relating to health; providing for the isolation and detention of persons with active tuberculosis who pose an endangerment to the public health; establishing standards and procedures for isolation and detention; requiring reporting by licensed health professionals; modifying tuberculo-*

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