# 2023 Legislative Session Summary
Minnesota’s Prenatal to Three Coalition

## Early Childhood Education – HF 2292

<table>
<thead>
<tr>
<th>Policy</th>
<th>New Funding</th>
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</table>
| **Early Learning Scholarships** | Ongoing increase:  
- Eligibility expanded to 0-5  
- Permanent reprioritization of children 0-3 below $55,000 for a family of four, beginning January 2025  
- Adds priority groups, beginning January 2024  
  - Incarcerated parents  
  - Caregivers in mental health or SUD treatment  
- The base for FY 2026 & later: $100,173,000  
  |  
|  | $252.057 M/ FY24-25  
|  |  
|  | $126.028 M/FY24  
|  |  
|  | $126.028 M/ FY25  
|  |  
|  | $58.928 million / FY 26-27  
|  |  
|  | $29.464/ FY26  
|  |  
|  | $29.464/ FY27  
| **Great Start Compensation Support Payments (aka Retention Payments)** | Ongoing funding:  
- Implementation: July 2, 28  
- Merges ELS and CCAP to establish a pathway to the 7% cap on child care for families  
- $42.5 M/ FY24 to transition away from Public Health Emergency Stabilization Grants  
|  |  
|  | $316.101 M/ FY 24-25  
|  |  
|  | $109.665 M/ FY24  
|  |  
|  | $206.436 M/FY25  
|  |  
|  | $259.774 M/ FY26-27  
|  |  
|  | $129.887 M/FY26  
| **Great Start Scholarships Program** | One-time:  
- Implementation: July 2, 28  
- Merges ELS and CCAP to establish a pathway to the 7% cap on child care for families  
|  |  
|  | $1.656 million/ FY24  
|  |  
|  | $2.61 million/ FY24 from DHS to CYF  
| **Grants for Grow Your Own Early Childhood Family Educator Programs** | Ongoing:  
- Licensed family or center-based child care programs, school district or charter school early learning programs, Head Start programs, higher education, community partnerships, nongovernmental organizations may apply  
- Special revenue fund established  
|  |  
|  | $5 million/ FY24-25:  
|  |  
|  | $2.5 million/ FY24  
|  |  
|  | $2.5 million/ FY25  
|  |  
|  | $1 million/ FY26-27  
|  |  
|  | $500,000/ FY24  
|  |  
|  | $500,000 / FY25  
| **Early Childhood & Family Education Teacher Shortage** | One-time:  
- Funds transfer to the Office of Higher Education for grants to address the early childhood and family education teacher shortage  
|  |  
|  | $1 million/ FY24-25:  
|  |  
|  | $500,000 / FY24  
|  |  
|  | $500,000/ FY25  
| **Head Start Program** | Ongoing increase:  
- Tribal Head Start set aside of 10.72% of total appropriation  
- Does not include infrastructure support funding  
|  |  
|  | $20 million/ FY 24-25  
|  |  
|  | $10 million/ FY 24  
|  |  
|  | $10 million/ FY 25  

This summary was prepared by LaCroix-Dalluhn Consulting on behalf of Minnesota’s Prenatal to Three Coalition. Please contact Laura LaCroix-Dalluhn or Cati Gómez with questions or for more information.
### Early Childhood Family Education
- Increases funding by tying it to the MDE base
  - On-going & increasing:
    - $5.517 M/ FY24-25
      - $2.091 M/ FY24
      - $3.426 M/ FY25
    - $10.761 M/ FY26-27
- Employs 2 FTE to coordinate state efforts
  - Ongoing:
    - $375,000/ FY

### ParentChild+ Program (Literacy focused home visiting)
- The base for fiscal year 2026 and later is $900,000.
  - One-time:
    - $1.8 million/ FY24-25
      - $900,000/ FY24
      - $900,000/ FY25

### Way to Grow
- All licensed child care providers will receive a one-star parent aware rating
  - One-time:
    - $2.85 million/ FY24
    - $1.75 million/ FY25

### One-Star Parent Aware Ratings for all Licensed Child Care Programs
- All licensed child care providers will receive a one-star parent aware rating

### Executive Funding Curriculum Grant
- One-time:
  - $300,000/ FY24

### K-12 Education – HF 2497

<table>
<thead>
<tr>
<th>Policy</th>
<th>New Funding</th>
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</thead>
<tbody>
<tr>
<td><strong>Full &amp; Equitable Participation in Early Learning</strong></td>
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<tr>
<td>- Prohibits the dismissal of a pupil enrolled in ECFE, Head Start, voluntary prekindergarten, school readiness or school-based preschool/pre-k program,</td>
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<tr>
<td>- Applies to all students, Pre-K through 3rd grade</td>
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<tr>
<td><strong>Expands the number of statewide Pre-K slots</strong></td>
<td>One-time:</td>
</tr>
<tr>
<td>- Funding to create 3,000 additional voluntary prekindergarten seats</td>
<td>$50 M/ FY25</td>
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<tr>
<td>- Goal is to expand Pre-K to 15,300 slots in the next few years</td>
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</tbody>
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### Health & Human Services – SF 2995

<table>
<thead>
<tr>
<th>Policy</th>
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</thead>
<tbody>
<tr>
<td><strong>Continuous Eligibility for Medical Assistance</strong></td>
<td>Ongoing &amp; increasing:</td>
</tr>
<tr>
<td>- 72 months of continuous eligibility for Medical Assistance, children 0-6</td>
<td>$24.632 M/ FY24-25</td>
</tr>
<tr>
<td>- 12 months of continuous eligibility for Medical Assistance, children 6-21</td>
<td>$5 M/ FY24</td>
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<tr>
<td></td>
<td>$19.632 M/ FY25</td>
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<td></td>
<td>$83.496 M/ FY 26-27</td>
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MinnesotaCare Eligibility for Undocumented Minnesotans

- About 41,000 people are estimated to gain eligibility for MinnesotaCare

**Ongoing & increasing:**
- **$8.080 M/ FY24-25**
  - **$2.572 M/ FY24**
  - **$5.508 M/ FY25**
- **$101.139 M/ FY 26-27**
  - **$42.866 M/ FY26**
- **$58.273 M/ FY27**

Family Home Visiting

- Removes 7% cap for administration
- Provides funding for “priority populations” under MS 145.87 (Promising Practices)

**Ongoing increase:**
- **$4 M/ FY24-25**
  - **$2 M/ FY25-26**
- **$4 M/ FY26-27**

**Increases reimbursement rates:**
- **$1,400/labor & delivery services**
- **$100/prenatal or postpartum visit**
- Removes language limiting the number of visits a patient may receive

**Ongoing & increasing:**
- **$301,000/ FY24-25**
  - **$84,000/ FY24**
  - **$217,000/ FY25**
- **$476,000/ FY26-27**
  - **$231,000/ FY26**
  - **$245,000/ FY27**

Doula Services

- Supervision Requirement Removed
  - Eliminates NPI supervision requirement to allow doulas to bill directly to Medicaid

**Ongoing:**
- **$73,000/ FY24-25**
  - **$33,000/ FY24**
  - **$40,000/ FY25**
- **$80,000/ FY26-27**
  - **$40,000/ FY**

Infant & Early Childhood Mental Health Consultation

- Appropriates funds for infant and early childhood mental health consultation for schools to work with community providers
- Families are allowed to begin infant and early childhood mental health services while their child undergoes the DC: 0-5 assessment.

**Ongoing increase:**
- **$2.407 M/ FY24-25**
  - **$1.188 M/ FY24**
  - **$1.219 M/ FY25**
- **$2.438 M/ FY26-27**
  - **$1.219 M/ FY**

988 Suicide & Crisis Lifeline Funding

- $0.04 surcharge will begin generating revenue in FY25

**One-time:**
- **$4.913 M/ FY 24**

**Generated funds:**
- ($1.321 M) will be generated every FY, beginning FY25

MFIP Child Care Eligibility for Primary Caregiver with a Mental Health Diagnosis

- Parents with treatment needs can access child care while they receive their own care.

**Ongoing & increasing:**
- **$1.537 M/ FY24-25**
  - **$131,000/ FY24**
  - **$1.406 M/ FY26-27**
- **$4.837 M/ FY 26-27**
  - **$2.363 M / FY26**
  - **$ 2.474 M/ FY27**

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| **African American Babies Coalition & Projects** | **Limited increase:**
| | • $576,000/ FY 24-25,
| | ▪ $288,000/ FY 24
| | ▪ $288,000/ FY 25
| | • $576,000/ FY 26
| | ▪ $0/ FY27 |
| **Family, Friend, and Neighbor Care Grants** | **Ongoing:**
| FY24 to be paid by federal public emergency ARPA funds | • $3 M/FY25
| | • $5 M/FY26-27
| | ▪ $2.5 M/FY26
| | • $2.5 M/FY27 |
| **Child Care Assistance Program** | **Ongoing & increasing:**
| | • Raises reimbursement rates to the 75th percentile
| | • Reprioritizes the waitlist
| | • Permanently prioritizes families with children 0-3
| | • Updates the family definition language include Foster Care & Relative Caregivers
| | • Increases funding for Basic Sliding Fee Child Care Assistance |
| **MFIP Eligibility for Primary Caregiver with a Mental Health Diagnosis** | **Ongoing increase:**
| | • $1.537 M/ FY24-25
| | ▪ $131,000/ FY24
| | ▪ $1.406 M/FY 26-27
| | • $4.837 M/ FY 26-27
| | ▪ $2.363 M / FY26
| | ▪ $ 2.474 M/ FY27 |
| **Community Solutions** | **Ongoing funding:**
| | • Permanently establishes and provides ongoing funding for the grant program
| | • $6 M/ FY24-25
| | ▪ $3 M/ FY
<p>| | • $5.250/ FY26-27 |</p>
<table>
<thead>
<tr>
<th>Category</th>
<th>Policy</th>
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</tr>
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<tbody>
<tr>
<td>Establishes the Department of Children, Youth &amp; Families</td>
<td>One-time:</td>
<td>$2.625 M/ FY</td>
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<tr>
<td>Establishing a Network of Community Resource Centers (Continuation of PDG work)</td>
<td>Ongoing increase:</td>
<td></td>
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<tr>
<td>Healthy Beginnings, Healthy Families Grant Program</td>
<td>Ongoing:</td>
<td></td>
</tr>
<tr>
<td>Help Me Connect</td>
<td>Ongoing:</td>
<td></td>
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<tr>
<td>Lead remediation in Schools &amp; Child Care Centers</td>
<td>Ongoing:</td>
<td></td>
</tr>
<tr>
<td>Task Force on Pregnancy Health &amp; SUD</td>
<td>One-time:</td>
<td></td>
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<tr>
<td>Jobs, Economic Development, Labor, and Industry – SF 3035</td>
<td>Policy</td>
<td>New Funding</td>
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</tbody>
</table>
| Accommodations for Pregnant & Lactating Employees                     | • Removes the 12-month limit on state mandate requiring businesses to provide paid breaks for lactating employees.  
• Employers must make a reasonable effort to provide a "clean, private and secure" place for employees to express milk.  
• Employers must make a reasonable effort to accommodate an employee with pregnancy/childbirth health conditions without requiring a care provider’s note/proof of need, including:  
  o More frequent or longer restroom, food, and water breaks  
  o Seating  
  o Limits on lifting over 20 pounds                                                                                   | One-time:  
  • $544,000                                                                                                           |
• Employers cannot discharge, discipline, penalize, interfere with, threaten, restrain, coerce, or otherwise retaliate or discriminate against an employee for asserting birthing rights

<table>
<thead>
<tr>
<th>Taxes – HF 1938</th>
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<tbody>
<tr>
<td><strong>Working Family &amp; Child Tax Credit</strong></td>
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</table>
| • $1,725 Child Tax Credit per dependent  
  o Phaseout begins at $35,000/married & $29,500/single filers  
• Lower-income families with earnings also will be eligible for a Working Family Credit  
• There is no cap on the number of children, is income-targeted, fully refundable, permanent, no minimum earnings required, increases with inflation, & includes families using ITINs  
• Expected to cut child poverty in Minnesota by more than 25 percent. |       | Ongoing & increasing:  
• ~$800 M/ FY24-25  
• ~$800 M/ FY26-27 |
| **Tax-Exempt Infant & Early Childhood Resources** |       |             |
| • Expands the list of sales tax-exempt baby products to include: cribs/bassinets, wipes, changing tables, strollers, car seats, etc. |       |             |

<table>
<thead>
<tr>
<th>Paid Family &amp; Medical Leave – HF 02</th>
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<th>New Funding</th>
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<tbody>
<tr>
<td><strong>Weeks of Paid Leave</strong></td>
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</tbody>
</table>
| • 12 weeks of paid medical leave  
• 12 weeks of paid family leave  
• Cumulative number of weeks is capped at 20 weeks |       | Ongoing & increasing  
• $610.653 M/ FY24-25  
  o $724.656 M/ FY24  
  o $72.202 M/ FY25  
• ~$1.194 M/ FY26-27  
  o $610.653 M/ FY26  
  o ~$1.194 M/ FY27 |
| **Payroll Premium** |       |             |
| • 0.7% payroll tax “premium”  
• Caps future increases to 1.2%  
• Premium is paid for by both employer and employee |       |             |
| **Business Opt-Out** |       |             |
| • Employers may opt out of this insurance program by offering a paid leave program with equal/greater benefits |       |             |
| **Benefits** |       |             |
| • Weekly partial wage replacement is based on income levels and the average earnings of a typical work week |       |             |