

Subject Department of Children, Youth, and Families Governor's Budget Bill

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Date March 31, 2025

Article 1: Department of Children, Youth, and Families

This article makes technical and clean-up changes related to the administrative transfer of early learning programs from the Minnesota Department of Education (MDE) to the Department of Children, Youth, and Families (DCYF). The article also allows the commissioner of children, youth, and families to contract with specified entities to provide permanency services for children in out-of-home care.

Section Description - Article 1: Department of Children, Youth, and Families

- 1 Appropriation transfers.**
Amends § 127A.41, subd. 8. Makes technical, clean-up changes related to the 2024 recodification of statutes due to establishment of DCYF.
- 2 Appropriation transfers for community education programs.**
Amends § 127A.41, subd. 9. Makes technical, clean-up changes related to the early childhood family education (ECFE) and school readiness programs transferring from MDE to DCYF.
- 3 Aid payment percentage.**
Amends § 127A.45, subd. 13. Provides that specified programs that transferred from MDE to DCYF will continue to be paid at the current year aid payment percentage of the estimated entitlement each fiscal year.
- 4 Duties of the commissioner.**
Amends § 142A.03, subd. 2. Allows the commissioner to contract with a licensed child-placing agency or a Minnesota Tribal social services agency to provide permanency services for children in out-of-home care whose interests would be best served by transfer of permanent legal and physical custody to a relative.
- 5 Funding. [Voluntary prekindergarten program]**
Amends § 142D.08, subd. 8. Provides that funding for the voluntary prekindergarten program continues to be subject to requirements that apply to MDE programs

Section Description - Article 1: Department of Children, Youth, and Families

- regarding appropriations that exceed the amount required and the aid payment percentage.
- 6 **Developmental screening aid.**
Amends § 142D.093. Provides that funding for the developmental screening continues to be subject to requirements that apply to MDE programs regarding the aid payment percentage.
- 7 **Revenue. [ECFE]**
Amends § 142D.11, subd. 1. Makes technical, clean-up changes related to the 2024 recodification of statutes due to establishment of DCYF.
- 8 **Population. [ECFE]**
Amends § 142D.11, subd. 2. Makes technical, clean-up changes related to the 2024 recodification of statutes due to establishment of DCYF.
- 9 **Funding. [ECFE]**
Amends § 142D.11, subd. 10. Provides that funding for ECFE continues to be subject to requirements that apply to MDE programs regarding the aid payment percentage.

Article 2: Child Safety and Permanency

This article modifies Minnesota Indian Family Preservation Act (MIFPA) grant payment timelines and reporting requirements, and removes an annual cap on special focus grant awards under MIFPA.

Section Description - Article 2: Child Safety and Permanency

- 1 **Payments.**
Amends § 260.810, subd. 1. Modifies grant payment timelines under MIFPA to be quarterly, rather than requiring a quarterly report to receive payments.
- 2 **Reporting.**
Amends § 260.810, subd. 2. Modifies MIFPA grant reporting requirements, replacing required quarterly reports with a requirement for the commissioner to work with Tribes and urban Indian organizations to establish report requirements and timelines.
- 3 **Special focus grants.**
Amends § 260.821, subd. 2. Removes maximum of \$100,000 grant award for MIFPA special focus grants.

Article 3: Early Childhood

This article makes changes to the great start compensation support payments program, the TEACH scholarship program for child care providers, and the child care assistance program (CCAP).

Section Description - Article 3: Early Childhood

- 1 Payments. [Great start compensation support payments]**
Amends § 142D.21, subd. 6. Provides that Tribally licensed child care programs and any child care programs located within the boundaries of a Tribal reservation in Minnesota are eligible for increased payments under the great start compensation support payments program.
- 2 Account; carryforward authority. [Great start compensation support payments]**
Amends § 142D.21, subd. 10. Establishes an account in the special revenue fund for the great start compensation support payments program.
- 3 Program components. [TEACH program]**
Amends § 142D.31, subd. 2. Paragraph (a) changes the maximum amount for a TEACH scholarship to an amount consistent with national TEACH program requirements. Paragraph (b) allows individuals who are employed by a certified child care program or a Head Start program to be eligible for TEACH scholarships and modifies the contribution and matching requirements for TEACH scholarship recipients who work in family child care settings.
- 4 Redeterminations.**
Amends § 142E.03, subd. 3. Provides that, starting May 25, 2026, when a new child is added to a family that receives CCAP, the date for CCAP redetermination of eligibility must be extended 12 months from the new child's arrival date.
- 5 General authorization requirements.**
Amends § 142E.11, subd. 1. Provides that, beginning March 2, 2026, county agencies are prohibited from requiring certain families to report information related to CCAP eligibility more frequently than every 12 months.
- 6 Maintain steady child care authorizations.**
Amends § 142E.11, subd. 2. Makes conforming changes related to the prohibition on requiring certain families to report information related to CCAP eligibility more frequently than every 12 months.

Makes the section effective May 26, 2026.

Section Description - Article 3: Early Childhood

7 Extended eligibility and redetermination.

Amends § 142E.13, subd. 2. Makes conforming changes, effective March 2, 2026, related to the prohibition on requiring certain families to report information related to CCAP eligibility more frequently than every 12 months.

8 Fee schedule.

Amends § 142E.15, subd. 1. Modifies CCAP copayment requirements for families, with the highest copayment set at 6.9 percent of a family's adjusted gross income rather than 14 percent under current law.

Makes the section effective October 13, 2025.

9 Training required.

Amends § 142E.16, subd. 3. Provides that a legal, nonlicensed family child care provider who cares for an unrelated child who is eligible for CCAP must complete two hours of training in caring for children every 12 months.

Makes the section effective October 1, 2025.

10 Record-keeping requirement.

Amends § 142E.16, subd. 7. Requires child care providers who accept CCAP to submit data on child enrollment and attendance to the commissioner. Makes a technical change to a cross-reference.

Makes the section effective June 22, 2026.

11 Eliminating schedule reporter designation.

Directs the commissioner to allocate additional basic sliding fee money for calendar years 2026 and 2027 to counties and Tribes to account for the prohibition on requiring certain families to report information related to CCAP eligibility more frequently than every 12 months.

Article 4: Appropriations

This article contains appropriations for the Department of Children, Youth, and Families.



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