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S.F. No. 3790 - Great Start Affordability Scholarship Program

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Date: February 22, 2024

Section 1. Development [of the Great Start Scholarships Program].

Requires the commissioner of the Department of Children, Youth, and Families (DCYF) to include the great start affordability scholarship program established in this bill in the plan to transition early care and learning programs to the great start scholarships program.

Sec. 2. Great Start Affordability Scholarships.

Subd. 1. Establishment; purpose. Establishes the great start affordability scholarship program within the Department of Education (MDE). Provides the purpose of the scholarship program, including that no Minnesota family pay more than seven percent of annual income for early care and learning.

Subd. 2. Family and child eligibility. Makes a family eligible for the program if the family has income less than 150 percent of the state median income and has a child not yet five years old nor enrolled in kindergarten. Excludes from eligibility children already receiving child care assistance or an early learning scholarship. Provides for continuing child eligibility for the scholarship program.

Subd. 3. Early care and learning program eligibility. Requires an early care and learning program to participate in the Parent Aware quality rating and improvement system to receive payment through the great start affordability scholarship program. Prohibits a program from using scholarship revenue to supplant federal funding.

Subd. 4. Administration. Requires MDE to establish administrative processes for the program. Provides that a scholarship is awarded for a 12-month period, subject to annual renewal. Requires MDE to cancel a scholarship under certain conditions.

Subd. 5. Scholarship amounts. Requires MDE to determine a participant's scholarship amount based on family income and to establish a system of monthly payments, with a minimum monthly payment of \$25 per child.

Subd. 6. Payment practices. Requires MDE to establish a system to make scholarship payments directly to a program selected by a scholarship recipient's family. Provides for certain payment system requirements. Requires that payments begin no later than September 1, 2024.

Subd. 7. Family notifications. Requires MDE to notify families about the scholarship program. Requires a program provider to identify the portion of tuition that is paid under the scholarship program as state-provided assistance.

Subd. 8. Great start affordability scholarship account. Establishes the great start affordability scholarship account in the special revenue fund. Annually appropriates money in the account to MDE for scholarships. Authorizes payment of certain administrative expenses for MDE and program providers.

Sec. 3. Disclosure [of tax return information] to Department of Education. Authorizes the commissioner of revenue to disclose certain tax return information to the commissioner of education to determine income eligibility for early child care and learning benefits administered by MDE.

Sec. 4. Transfer of scholarship responsibilities to Department of Children, Youth, and Families. Transfers the great start affordability scholarship program from MDE to DCYF once the agency is operational. Directs the revisor of statutes to recodify the program as necessary.

Sec. 5. Transfer of data sharing responsibilities to Department of Children, Youth, and Families. Transfers the tax data sharing authority from MDE to DCYF once the agency is operational.

Sec. 6. Appropriation; Department of Education. Appropriates money from the general fund to MDE for the great start affordability scholarship program. Provides for transfer of this appropriation to DCYF once the agency is operational.

EFFECTIVE DATES. All sections are effective the day following final enactment.