#### Senator Larson introduced-

S.F. No. 2885: Referred to the Committee on Finance.

#### A bill for an act

relating to capital improvements; appropriating money for a regional family 1.2 resource and early childhood center in Verndale; authorizing the sale and 1.3 issuance of state bonds. 1.4

#### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA: 1.5

#### Section 1. APPROPRIATION. 1.6

\$260,000 is appropriated from the bond proceeds fund to the commissioner of 1.7 education for a grant to the Verndale school district to design, construct, furnish, and equip 1.8 a regional family resource and early childhood center on the Verndale school campus. 1.9 The center will provide space and services for early childhood family education, school 1.10 readiness, Head Start, early childhood special education, preschool child care, before and after school age care, a family lending library and office as well as family conference 1.14 space. The center will provide such services to families in the city of Verndale and 1.13 surrounding regional communities. 1.14 1.15

Sec. 2. BOND SALE.

To provide the money appropriated in section 1 from the bond proceeds fund, 1.16 the commissioner of finance shall sell and issue bonds of the state in an amount up to 1.17 \$260,000 in the manner, upon the terms, and with the effect prescribed by Minnesota 1.18 Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, 1.19 sections 4 to 7. 1.20

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1.22

Sec. 3. EFFECTIVE DATE.

Sections 1 and 2 are effective the day following final enactment.

Sec. 3.

#### Senate Counsel, Research, and Fiscal Analysis

G-17 State Capitol 75 Rev. Dr. Martin Luther King, Jr. Blvd. St. Paul, MN 55155-1606 (651) 296-4791 FAX: (651) 296-7747 Jo Anne Zoff Sellner Director

**State of Minnesota** 

# S.F. No. 894 - Delete Everything amendment (SCS0894A-2)

Author: Senator Tarryl Clark

Prepared by: Joan White, Senate Counsel (651/296-3814)

**Date:** March 16, 2006

Section 1 amends the adult basic education definition statute by modifying the definition of "first prior program year", to align with the academic year.

Section 2 modifies adult basic education program requirements by requiring state-approved adult basic education programs that offer high school credit toward an adult high school diploma to meet the Adult Basic Education Standards.

Section 3 amends the state total adult basic education aid by increasing the aid for 2006, 2007, and later years.

Section 4 amends the adult basic education appropriations.

Section 5 establishes an adult literacy grant program for recent immigrants to Minnesota in order to meet the English language needs of refugees and immigrants. The commissioner is required to award grants to organizations providing adult literacy services in order to help offset the additional costs due to unanticipated high enrollments of recent refugees and immigrants.

#### JW:mvm

01/19/05

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Senators Pappas, Hottinger, Frederickson, Kierlin and Scheid introduced--S.F. No. 894: Referred to the Committee of Finance

# A bill for an act

relating to education finance; modifying the adult basic education formula; awarding grants; appropriating money; amending Minnesota Statutes 2004, sections 124D.52, subdivision 3; 124D.531, subdivisions 1, 4.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
8 Section 1. Minnesota Statutes 2004, section 124D.52,
9 subdivision 3, is amended to read:

10 Subd. 3. [ACCOUNTS; REVENUE; AID.] (a) Each district, 11 group of districts, or private nonprofit organization providing adult basic education programs must establish and maintain a 12 13 reserve account within the community service fund for the receipt and disbursement of all funds related to these 14 15 programs. All revenue received pursuant to this section must be 16 utilized solely for the purposes of adult basic education 17 programs. State aid must not equal more than 100 percent of the 18 unreimbursed expenses of providing these programs, excluding 19 in-kind costs.

(b) For purposes of paragraph (a), an adult basic education
program may include as valid expenditures for the previous
fiscal year program spending that occurs from July 1 to
September 30 of the following year. Program spending may only
be counted for one fiscal year.

25 (c) Notwithstanding section 123A.26 or any other law to the
 26 contrary, an adult basic education consortium providing an

[REVISOR ] XX/DD 05-1659 01/19/05 approved adult basic education program may be its own fiscal 1 agent and is eligible to receive state-aid payments directly 2 from the commissioner. 3 [EFFECTIVE DATE.] This section is effective the day 4 following final enactment. 5 Sec. 2. Minnesota Statutes 2004, section 124D.531, 6 subdivision 1, is amended to read: 7 Subdivision 1. [STATE TOTAL ADULT BASIC EDUCATION AID.] 8 (a) The state total adult basic education aid for fiscal year 9 2004 equals \$34,388,000. The state total adult basic education 10 aid for fiscal year 2005 and-later-is equals \$36,509,000. 11 The state total adult basic aid for fiscal year 2006 equals 12 \$37,604,000. The state total adult basic education aid for 13 later fiscal years equals: 14 (1) the state total adult basic education aid for the 15 preceding fiscal year; times 16 (2) the lesser of: 17 18 (i) 1.03; or 19 (ii) the greater of 1.00 or the ratio of the state total 20 contact hours in the first prior program year to the state total contact hours in the second prior program year. Beginning in 21 fiscal year 2002, two percent of the state total adult basic 22 education aid must be set aside for adult basic education 23 supplemental service grants under section 124D.522. 24 (b) The state total adult basic education aid, excluding 25 basic population aid, equals the difference between the amount 26 computed in paragraph (a), and the state total basic population 27 aid under subdivision 2. 28 Sec. 3. Minnesota Statutes 2004, section 124D.531, 29 30 subdivision 4, is amended to read: Subd. 4. [ADULT BASIC EDUCATION PROGRAM AID LIMIT.] (a) 31 Notwithstanding subdivisions 2 and 3, the total adult basic 32 education aid for a program per prior year contact hour must not 33 exceed \$21 per prior year contact hour computed under 34 subdivision 3, clause (2). 35 (b) For fiscal year 2004, the aid for a program under 36

## [REVISOR ] XX/DD 05-1659

01/19/05

subdivision 3, clause (2), adjusted for changes in program
 membership, must not exceed the aid for that program under
 subdivision 3, clause (2), for fiscal year 2003 by more than the
 greater of eight percent or \$10,000.

5 (c) For fiscal year 2005, the aid for a program under 6 subdivision 3, clause (2), adjusted for changes in program 7 membership, must not exceed the sum of the aid for that program 8 under subdivision 3, clause (2), and Laws 2003, First Special 9 Session chapter 9, article 9, section 8, paragraph (a), for the 10 preceding fiscal year by more than the greater of eight percent 11 or \$10,000.

(d) For fiscal year 2006 and later, the aid for a program under subdivision 3, clause (2), adjusted for changes in program membership, must not exceed the aid for that program under subdivision 3, clause (2), for the first preceding fiscal year by more than the greater of eight percent or \$10,000.

(e) Adult basic education aid is payable to a program for
unreimbursed costs occurring in the program year as defined in
section 124D.52, subdivision 3.

(f) Any adult basic education aid that is not paid to a 20 program because of the program aid limitation under paragraph 21 22 (a) must be added to the state total adult basic education aid for the next fiscal year under subdivision 1. Any adult basic 23 24 education aid that is not paid to a program because of the program aid limitations under paragraph (b), (c), or (d) must be 25 26 reallocated among programs by adjusting the rate per contact 27 hour under subdivision 3, clause (2).

28 [EFFECTIVE DATE.] This section is effective the day
29 following final enactment and applies for revenue distributions
30 for fiscal years 2006 and later.

31 Sec. 4. [ADULT LITERACY GRANTS FOR RECENT IMMIGRANTS TO 32 MINNESOTA.]

33 <u>Subdivision 1.</u> [ESTABLISHMENT.] <u>An adult literacy grant</u> 34 program for recent immigrants to Minnesota is established in 35 <u>fiscal years 2006 and 2007 only in order to meet the English</u> 36 language needs of the unanticipated refugees and immigrants to

01/19/05

[REVISOR ] XX/DD 05-1659

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1 the State of Minnesota. Subd. 2. [GRANTS.] The commissioner of education shall 2 consult adult basic education service providers in establishing 3 the form and manner of the grant program. The commissioner 4 shall award grants to organizations providing adult literacy 5 services in order to help offset the additional costs due to 6 7 unanticipated high enrollments of recent refugees and immigrants. 8 Sec. 5. [APPROPRIATIONS.] 9 Subdivision 1. [DEPARTMENT OF EDUCATION.] The sums indicated in this section are appropriated from the general fund 10 to the Department of Education for the fiscal years designated. 11 12 Subd. 2. [ADULT BASIC EDUCATION AID.] For adult basic education aid under Minnesota Statutes, section 124D.531: 13 14 2006 <u>\$....</u> . . . . . 15 \$.... 2007 . . . . . 16 The 2006 appropriation includes \$..... for 2005 and 17 \$..... for 2006. 18 The 2007 appropriation includes \$..... for 2006 and 19 \$..... for 2007. 20 Subd. 3. [ADULT LITERACY GRANTS FOR RECENT IMMIGRANTS TO 21 MINNESOTA.] For adult literacy grants for recent immigrants to 22 Minnesota: 23 2006 <u>\$....</u> • • • • •

03/16/06

1.1	Senator moves to amend S.F. No. 894 as follows:
1.2	Delete everything after the enacting clause and insert:
1.3	"Section 1. Minnesota Statutes 2004, section 124D.518, subdivision 4, is amended
1	to read:
1.5	Subd. 4. First prior program year. "First prior program year" means the period
1.6	from May 1 of the second prior fiscal year through April 30 of the first prior fiscal year
1.7	specific time period defined by the commissioner that aligns to a program academic year.
1.8	Sec. 2. Minnesota Statutes 2004, section 124D.52, subdivision 1, is amended to read:
1.9	Subdivision 1. Program requirements. (a) An adult basic education program is a
1.10	day or evening program offered by a district that is for people over 16 years of age who do
1.11	not attend an elementary or secondary school. The program offers academic instruction
1.12	necessary to earn a high school diploma or equivalency certificate.
1.13	(b) Notwithstanding any law to the contrary, a school board or the governing body of
4	a consortium offering an adult basic education program may adopt a sliding fee schedule
1.15	based on a family's income, but must waive the fee for participants who are under the
1.16	age of 21 or unable to pay. The fees charged must be designed to enable individuals of
1.17	all socioeconomic levels to participate in the program. A program may charge a security
1.18	deposit to assure return of materials, supplies, and equipment.
1.19	(c) Each approved adult basic education program must develop a memorandum of
1.20	understanding with the local workforce development centers located in the approved
1.21	program's service delivery area. The memorandum of understanding must describe how
1.22	the adult basic education program and the workforce development centers will cooperate
1.23	and coordinate services to provide unduplicated, efficient, and effective services to clients.
.24	(d) Adult basic education aid must be spent for adult basic education purposes as
.25	specified in sections 124D.518 to 124D.531.

(e) A state-approved adult basic education program must count and submit student
 contact hours for a program that offers high school credit toward an adult high school

	03/16/06	COUNSEL	JW/MM	SCS0894A-2					
2.1	diploma according to student eligibili	ty requirements an	d competency dem	onstration					
2.2	requirements established by the commissioner.								
2.3	Sec. 3. Minnesota Statutes 2005 Supplement, section 124D.531, subdivision 1, is								
2.4	amended to read:		,	,					
2.5	Subdivision 1. State total adult	t basic education a	uid. (a) The state to	tal adult basic					
2.6	education aid for fiscal year 2005 is \$	36,509,000. The st	ate total adult basic	education aid					
2.7	for fiscal year 2006 and later is \$36,5								
2.8	not paid for during the previous fiscal	year, as a result of	adjustments under	subdivision 4,					
2.9	paragraph (a), or section 124D.52, su	bdivision 3. <u>The st</u>	ate total adult basic	education					
2.10	aid for fiscal year 2007 equals \$37,64	4,000. The state to	tal adult basic educ	ation aid for					
2.11	later fiscal years equals:								
2.12	(1) the state total adult basic edu	acation aid for the p	preceding fiscal yea	ır; times					
2.13	(2) the lesser of:								
2.14	(i) 1.03; or								
2.15	(ii) the greater of 1.00 or the rat	io of the state total	contact hours in th	e first prior					
2.16	program year to the state total contact	hours in the secon	d prior program ye	ar.					
2.17	Beginning in fiscal year 2002, t	wo percent of the s	tate total adult basi	c education					
2.18	aid must be set aside for adult basic e	ducation supplement	ntal service grants	under section					
2.19	124D.522.								
2.20	(b) The state total adult basic ed	ucation aid, exclud	ing basic population	on aid, equals					
2.21	the difference between the amount co	mputed in paragrap	oh (a), and the state	total basic					
2.22	population aid under subdivision 2.								
2.23	Sec. 4. Laws 2005, First Special S	ession chapter 5, ar	ticle 9, section 4, i	s amended to					
2.24	read:								
2.25	Sec. 4. APPROPRIATIONS.								
2.26	Subdivision 1. Department of e	education. The sur	ns indicated in this	section are					
2.27	appropriated from the general fund to	the Department of	Education for the	fiscal years					
2.28	designated and include and supersede	any amounts appro	opriated in Laws 2	005, First					
2.29	Special Session chapter 2, or authoriz	ed by order of the I	Ramsey County Di	strict Court in					
2.30	Case No. C9-05-5928.								
2.31	Subd. 2. Adult basic education	n aid. For adult bas	ic education aid un	der Minnesota					
2.32	Statutes:								
2.3 <b>3</b> 2.34	<del>36,518,000</del> \$ 38,601,000 200	6							
2.3 <b>6</b>	<del>36,540,000</del>								
2.36	\$ <u>37,534,000</u> 200	7.							
2.37									

	03/16/06	COUNSEL	JW/MM	SCS0894A-2
3.1	The 2006 appropriation	n includes \$5,707,000 for 2	005 and <del>\$30,811,0</del>	<del>)00_\$32,894,000</del>
3.2	for 2006.			
3				
3.4	The 2007 appropriation	n includes <del>\$5,737,000_\$3,64</del>	5 <u>4,000</u> for 2006 an	ıd <del>\$30,803,000</del>
3.5	<u>\$33,880,000</u> for 2007.			•
3.6				
3.7	Subd. 2a. Adult litera	cy grants for recent immi	grants to Minnes	ota. For adult
3.8	literacy grants for recent imp	nigrants to Minnesota:		
3.9	<u>\$</u> ,	2007		
3.10	Subd. 3. Ged tests.Fo	r payment of 60 percent of	the costs of GED	tests under Laws
3.11	1993, chapter 224, article 4,	section 44, subdivision 10:		
3.12	\$ 125,000	2006		
13	\$ 125,000	2007		
3.14				
3.15	Subd. 4. Lead hazar	d reduction. For lead haza	rd reduction unde	r Minnesota
3.16	Statutes, section 119A.46:			
3.17	\$ 100,000	2006		
3.18	\$ 100,000	2007		
3.19				
3.20	The commissioner of e	ducation may transfer this	appropriation to th	e commissioner
3.21	of health.			
3.22				
23	Sec. 5. ADULT LITER	ACY GRANTS FOR REC	CENT IMMIGRA	ANTS TO
3.24	MINNESOTA.			
3.25	Subdivision 1. Establ	ishment. An adult literacy	grant program for	r recent
3.26	immigrants to Minnesota is	established in fiscal years 2	007 and 2008 only	y in order to
3.27	meet the English language n	eeds of the unanticipated re	efugees and immig	grants to the
3.28	State of Minnesota.			
3.29	Subd. 2. Grants. The	e commissioner of educatio	n shall consult ad	ult basic
3.30	education service providers	in establishing the form and	1 manner of the gr	ant program.
3.31	The commissioner shall awa	rd grants to organizations p	providing adult lite	racy services in
3.32	order to help offset the addit	ional costs due to unanticip	ated high enrollm	ents of recent
3	refugees and immigrants."			
3.34	Amend the title accord	lingly		

#### Fiscal Note - 2005-06 Session

Bill #: S0894-0 (R) Complete Date: 04/22/05

Chief Author: PAPPAS, SANDRA

Title: MODIFY ADULT BASIC EDUCATION AID

Fiscal Impact	Yes	No
State	X	
Local	X	
Fee/Departmental Earnings		Х
Tax Revenue		X

#### Agency Name: Education Department

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	FY05	FY06	FY07	FY08	FY09
Expenditures					
General Fund		1,151	2,260	3,363	4,514
Less Agency Can Absorb					
No Impact					•
Net Expenditures					
General Fund		1,151	2,260	3,363	4,514
Revenues					
No Impact					
Net Cost <savings></savings>					
General Fund		1,151	2,260	3,363	4,514
Total Cost <savings> to the State</savings>		1,151	2,260	3,363	4,514

	FY05	FY06	FY07	.FY08	FY09
Full Time Equivalents					-
No Impact					
Total FTE					

#### **Bill Description**

The bill would permit adult basic education programs to include valid expenditures for previous fiscal year spending that occur from July 1 to September 30 of the following year. Program spending may only be counted for one fiscal year.

The bill sets the state total adult basic education aid for fiscal year 2006 at \$ 37,604,000 and limits state total aid for later fiscal years. In later years, aid would be limited to the lesser of 1.03 or the greater of 1.00 or the ratio of the state total contact hours in the first prior program year to the state total contact hours in the second prior program year times the state total adult basic education aid for the preceding fiscal year.

Any adult basic education aid that is not paid to a program due to the limitation not allowing contact hour aid to exceed \$21 per contact hour would be added to the state total adult basic education aid for the next fiscal year. Any adult basic education aid not paid due to the eight percent or \$10,000 program growth limits would be reallocated among programs by adjusting the rate per contact hour in the current fiscal year.

The changes would apply to revenue distributions for fiscal years 2006 and later.

The bill would establish adult literacy grants for recent immigrants to Minnesota in fiscal year 2006 and 2007.

#### Assumptions

State total adult basic aid will increase from the FY 2006 capped level stated in the bill by 3% per year beginning with fiscal year 2007.

To accommodate state expenditures that cross fiscal years, the Department will need to develop administrative procedures to track expenditures occurring July 1 to September 30 following the fiscal year end. Since districts do not report audited information regarding those expenditures until after the close of the next fiscal year, additional programming will be required to review expenditures in the year following calculation of final entitlements and complete any necessary aid adjustments for unspent funds. School districts and independent auditors will need to adjust audit procedures for expenditures occurring over 15 months.

The amount of funding for adult literacy grants for recent immigrants to Minnesota will be determined during the current legislative session.

No funding amount is provided for adult literacy grants. The amount appropriated for the grants portion of this bill will determine the number and size of the individual grants. The costs noted on the face page do not include funding for the grants.

The cost of grants can vary depending upon the scope of the grant program and the desired outcomes. The average cost of an English as a Second Language (ESL)/basic skills program is about \$5.00 per hour per learner. Assuming the average one-year program has on average 400 hours of instruction (40 weeks of instruction at 10 hours per week) the average cost per learner would be \$2,000 (400 hours times \$5.00 per hour). The annual estimated cost of a grant program is \$2,000 times the number of learners that the program will serve.

For example, if 5,700 refugees were expected to relocate to Minnesota, assuming that 2,000 of the 5,700 refugees would be adults, and assuming that this program would serve 25% of the estimated 2,000 adult refugees in FY 2006, the costs would be:

2,000 refugees times 25%	=	500
Average cost per year	=	\$2,000
Estimate cost	=	\$1,000,000

If more than 500 adult learners were to be served by this grant program, annual costs would increase proportionately.

#### Expenditure and/or Revenue Formula

	-			
(in thousands)	FY 2006	FY 2007	FY 2008	FY 2009
Current Law ABE Aid Entitlement	36,509	36,509	36,509	36,509
4 Times Cap Adjustment	(116)	(87)	(65)	(49)
Adjusted ABE Aid Entitlement	36,393	36,422	36,444	36,460
Entitlement with 3% Increase	37,604	38,732	39,894	41,091
Prior Year Cap Savings	155	116	87	65
Proposed ABE Aid Entitlement	37,759	38,848	39,981	41,156
Entitlement Change	1,366	2,426	3,537	4,696
ABE Appropriation Change				
84.3% Current	1,151	2,045	2,982	3,959
15.7% Final		214	381	555
Total Appropriation Change	1,151	2,260	3,363	4,514

Funding for grants is not included in this fiscal impact analysis.

#### Long-Term Fiscal Considerations

Adult basic education aid is a continuing program.

Funding for adult literacy grants for recent immigrants to Minnesota ends after fiscal year 2007.

#### Local Government Costs

Eligible districts would receive additional revenue.

Agency Contact Name: Sogaard, Greg 651-582-8858 FN Coord Signature: AUDREY BOMSTAD Date: 04/21/05 Phone: 582-8793

#### **EBO Comments**

I have reviewed this Fiscal Note for accuracy and content.

EBO Signature: LISA MUELLER Date: 04/22/05 Phone: 296-6661 1.3

# A bill for an act

relating to capital improvements; appropriating money for an early learning center in St. Peter; authorizing the sale and issuance of state bonds.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA: 1.4

#### Section 1. APPROPRIATION. 1.5

\$1,350,000 is appropriated from the bond proceeds fund to the commissioner of 1.6 education for a grant to the city of St. Peter to predesign, design, renovate, furnish, and 1.7 equip a new early learning center to be located at the former St. Peter nursing home. This 1.8 appropriation is not available until the commissioner has determined that at least an equal 19 amount has been committed from nonstate sources. 1.10

Sec. 2. BOND SALE. 1.11 To provide the money appropriated in section 1 from the bond proceeds fund, 1.12 the commissioner of finance shall sell and issue bonds of the state in an amount up to 1.13 \$1,350,000 in the manner, upon the terms, and with the effect prescribed by Minnesota 1.14 Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, 1.15 sections 4 to 7. 1.16

1.18

#### Sec. 3. EFFECTIVE DATE. 1.17

Sections 1 and 2 are effective the day following final enactment.

# SAINT PETER PUBLIC SCHOOLS



# Early Learning Center Bonding Proposal

# Thursday, March 16, 2006

Dr. Terence Morrow, Chair, Saint Peter Board of Education Dr. Jeffrey Olson, Superintendent, Saint Peter Public Schools



# SAINT PETER PUBLIC SCHOOLS Early Learning Center Initiative

# THE PROBLEM

A community-wide task force identified overcrowding at the kindergarten to third-grade level as a problem that needed a solution. In April 2005, the task force recommended finding existing space within the community or constructing temporary modular units at an existing school site as the solution to the problem.

# THE IDEA

Because of the knowledge we are gaining about investment in early childhood education, the Saint Peter School District developed a concept of a regional early childhood lab school as a way to find out how we could best deliver quality education to our youngest students. The concept is to partner with regional colleges and universities in applying academic theories in early learning environments.

# THE FOCUS

There are four early learning focus areas proposed for the program:

- 1. Pre-kindergarten (including Early Childhood Family Education, Early Childhood Special Education, and School Readiness);
- 2. Kindergarten;
- 3. Early Childhood English Language Learners; and
- 4. Early Childhood Autistic Learners

# THE LOCATION

The existing space in the Saint Peter community that could house such a program is the soon-to-be-vacant Community Health Care Center. This Center is located in close proximity to City parks, playgrounds, and the City's Community Center/Library. The Health Care Center has 47,000 square feet of useable space.

# THE PARTNERS

• CITY OF SAINT PETER—the City would retain ownership of the building, provide for the necessary renovation, and serve as the landlord of the property.

- GUSTAVUS ADOLPHUS COLLEGE—the College would partner in two areas: (1) kindergarten education; and (2) Early Childhood English Language Learner Education.
- MINNESOTA STATE UNIVERSITY/MANKATO—the University would partner in two areas: (1) Early Childhood Special Education; and (2) Early Childhood Autistic Learner Education.

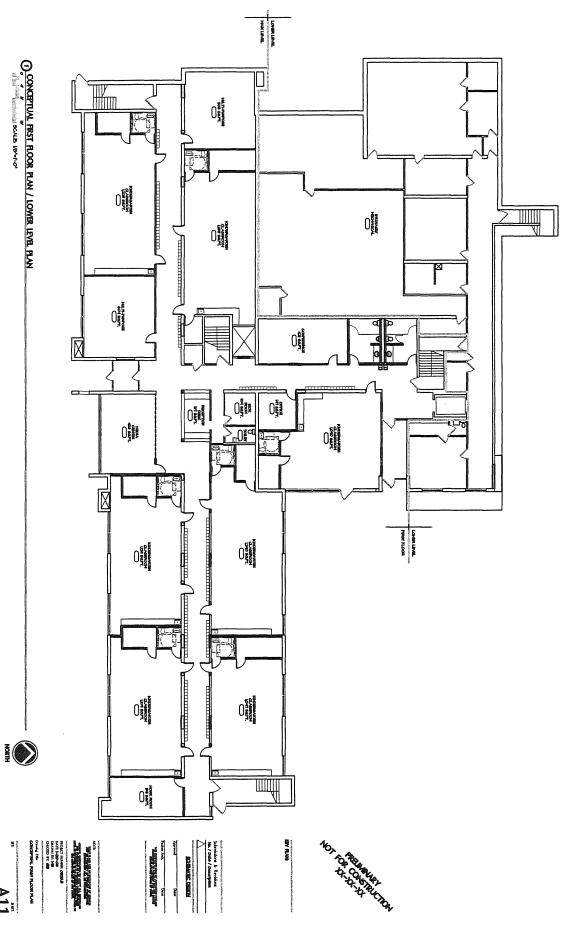
# THE COST

Renovation and conversion of the space to an early learning center would cost approximately \$2.7 million. This cost is approximately \$60 per square foot. New construction runs approximately \$150 per square foot.

# THE REQUEST

Ρ,

The request is to provide \$1.35 million in state funding to cover 50 percent of the cost of renovation.



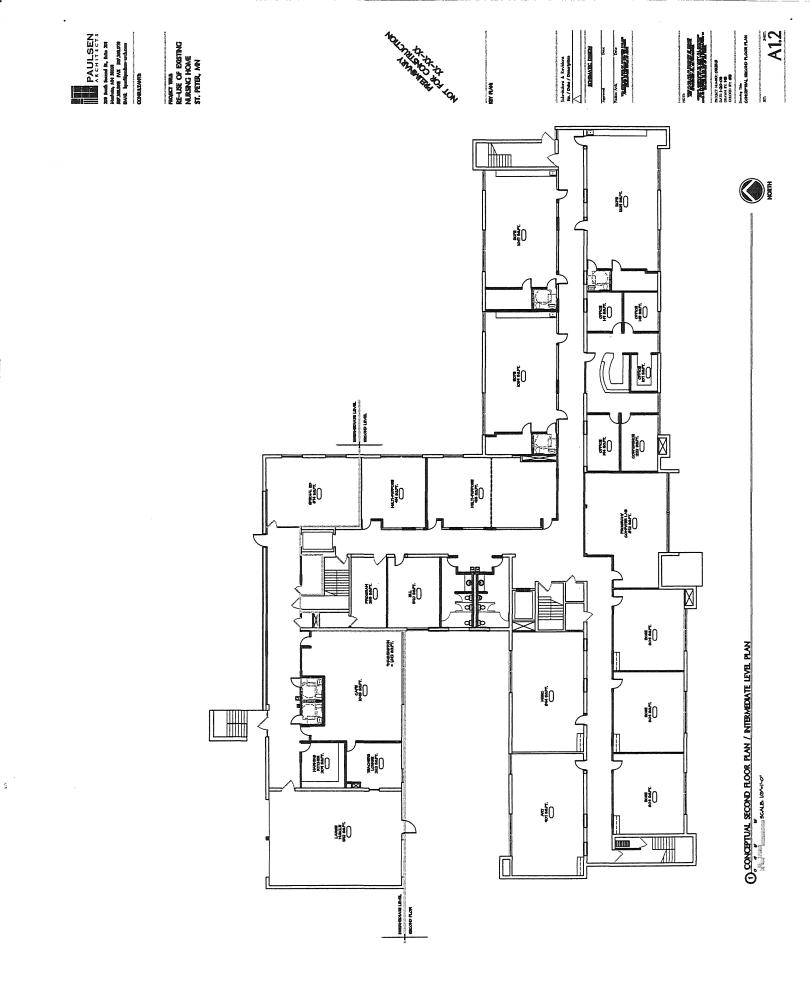
A1.1

NOBRI TALLA INC-USE OF EXISTING MURSING HOME ST. FETBR, MN



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From old to young? St. Peter nursing home

March 14. 2006 MANKATO FREE PRESS

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# could be converted to early childhood center



State Rep. Ruth

Johnson will

pursue state

Tuesday.

By Mark Fischenich Free Press Staff Writer

ST. PETER — A former nursing home in St. Peter could be converted into an early childhood learning center - and would tap the expertise of two local colleges - under legislation submitted to Minnesota House the of Representatives.

The legislation, sponsored by Rep. Ruth Johnson and submitted Friday, seeks \$1.35 million in state funding to cover half of the \$2.7 million cost of converting the nursing home from a facility that serves the elderly to one that educates the youngest of the young.

"This is an idea that literally came up in the last couple of weeks," said Johnson, DFL-St. Peter, referring to the strategy of seeking funds from the state bonding bill.

The concept is still being developed, and the St. Peter School Board isn't locked into the approach even if the legislative funding is approved. But the proposal appears to be one that would solve an impending space crunch at St. Peter grade schools, said Supt. Jeff Olson.

Olson said the school wants to look

Please see ST. PETER, Page A6



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Supt. Jeff Olson says the school district faces a space crunch in its elementary schools.

# ST. PETER: Help sought from state

#### Continued from Page A1

first at existing buildings in the community in trying to address a classroom shortage predicted for kindergarten and gradeschool students. The nursing home is attached to the old

cipal hospital, which has iv been moved to a new IacultV.

The district asked the city to look at the cost of remodeling the nursing home into its new use. While the \$2.7 million estimate was more than the district could handle, city and district officials wondered if the state might help.

"Without any help, it doesn't look like we could afford that Putting those programs in the move," Olson said.

able resource statewide if it's South Elementary School now

academic theories about early childhood education in a realworld setting, he said. The idea is to tap faculty and students from Gustavus Adolphus College's kindergarten education program and Minnesota State University's early childhood/special education program.

"At one level, you might see it as a regional lab school," Olson said.

The facility would be home to early childhood education. special education for kids with disabilities, family education for parents of voung kids and kindergarten classrooms. former nursing home would The facility could be a valu- free up seven classrooms at

used as a laboratory for testing used for kindergarteners and three classrooms in North Intermediate School now used for early childhood and special education.

"We think we've got a great idea here." Olson said. "There's a lot of attention right now and rightfully so — on early childhood education."

Sen. John Hottinger, DFL-St. Peter, has been a major player in raising awareness of the value of early childhood programs and is sponsoring the St. Peter proposal in the Senate.

Minnesota business leaders have recently banded together to promote more investment in education for pre-school kids, citing studies that show longterm benefits from stimulating the brains of tots.

"We all gain when our tiniest

citizens get off to a good start. said Johnson, who hopes the Legislature's growing interest in the issue will help her legislation overcome a relatively late entry into the competition for bonding funds.

"The fact that this project came together so recently puts it at a disadvantage." Johnson said.

The state bonding bill, which borrows money through bond sales for construction projects across the state, is expected to be around \$900 million in size. but the competition for a spot in the bill will still be fierce.

# The Free Press / Wednesday, March 15, 2006

# NURSING HOME/EARLY CHILDHOOD PLAN HAS MERIT

A plan to renovate a former nursing home into an early childhood lab school and save St. Peter schools money in the long run represents a good example of the kind thinking

government needs in a do-more-with-less atmosphere.

Rep. Ruth Johnson, DFL-St. Peter, is asking the state for bonding money that would pay about half the \$2.7 million cost of renovating the old nursing home attached to the old St. Peter Hospital, which has moved to a new location.

The building would house early childhood programs and special education programs of the St. Peter school district and thus alleviate a space crunch expected with

upcoming kindergarten and elementary classes. The plan would free up 10 classrooms, seven at South Elementary and three at North Intermediate school.

Johnson will seek state bonding money in hopes the facility can be developed into a regional or statewide lab school to test academic theories on early childhood learning. The timing might be right for this kind of project. A growing body of research shows that investments made in early childhood education provide some of the highest returns of all government spending. High profile business groups have begun supporting such investments.

The proposal's request for \$1.35 million is relatively small given the governor and Legislature expect to approve a bonding bill that could be as much as \$900 million. The center would meet the criteria of having statewide impact as an early childhood lab school.

The proposal also makes use of existing state assets to leverage the education dollar. The plan calls for possibly using the kindergarten education program at Gustavus Adolphus College and Minnesota State University's wellknown early childhood programs.

Connecting university education programs with the real world will be a win-win situation. Finding an innovative way to take care of an enrollment bulge at St. Peter schools without investing in new buildings should be good for taxpayers.

While the Legislature should scrutinize the project like any other bonding project, this one deserves special recognition for the intergovernmental cooperation it represents, and the idea that two problems can be solved spending money once.

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The Issue Rep. Ruth Johnson has unveiled a plan to renovate a nursing home into an early childhood training lab.

# The Southwest Minnesota Workforce Crisis

Who will fill the Baby-Boomers positions?

- The population in Southwest Minnesota has been declining steadily for the last half century, and can expect only a marginal 2 percent population increase through 2030-due mainly to longer life expectancies.
- □ The number of people aged 65 and older in Southwest Minnesota is projected to rise by 43.3 percent- from 33,559 now to about 48,100 in 2030.
- Because demographic trends set a crucial context for making workforce strategy decisions, any future regional strategies will need to account for continued population declines and an aging population. If these trends persist, the Southwest Region will have to rely more heavily on in-migration to maintain the growth of its population.
- In-migrants- or "New Minnesotans"- have become an increasingly important source of growth for the region, providing new customers and new employees for businesses, as well as new students for local school districts.

Information taken from: www.deed.state.mn.us/lmi/\_shared/assets/region811417.pdf

Southwest Minnesota is a mostly rural 14-county region that encompasses Big Stone, Chippewa, Lac qui Parle, Swift, and Yellow Medicine Counties in Region 6W; and Cottonwood, Jackson, Lincoln, Lyon, Murray, Nobles, Pipestone, Redwood, and Rock Counties in Region 8. Southwest Minnesota is home to an aging population and a changing economy. While some specific areas are experiencing small growths in population, most of the region is experiencing a decline. All areas are conscious that their population is aging, highlighting the need to create viable economies that would encourage more young people to move back – or out – into rural Minnesota. The pressure will be on to "grow old gracefully," as the region will be far ahead of its time in supporting an older population and labor force.

The population in Southwest Minnesota has been declining steadily for the last half century, and can expect only a marginal 2 percent population increase through 2030 – due mainly to longer life expectancies. Of the 14 counties, only Lyon County has more residents now than in 1960. In-migrants – or "New Minnesotans" – have become an increasingly important source of growth for the region, providing new customers and new employees for businesses, as well as new students for local school districts. In many areas, the total population would have declined even more if not for the influx of residents from different races and origins. But even with this modest inmigration, there has been a short-term tightening of the labor force in Southwest Minnesota, and demographic trends suggest it will only get tighter, requiring older residents and women to stay in – or enter – the workforce in higher numbers to fill the jobs.

Nearly 20 percent of the regional population is aged 65 years or older, prompting growing demand for healthcare and social services. In fact, only one age group (25-29) under the age of 55 is expected to grow in Southwest Minnesota between 2000 and 2030. The continued decline in the number of people in their "prime working years," from 25 to 54, corresponds with the decline in the younger age groups. In short, less young families are staying or moving into the area, and therefore the region is birthing and raising fewer children.

Because demographic trends set a crucial context for making workforce strategy decisions, any future regional strategies will need to account for continued population declines and an aging population. If these trends persist, the Southwest Region will have to rely more heavily on in-migration to maintain the growth of its population.

Historically, as people enter their 60s, they begin to retire. Retirement not only affects the future economic circumstances of retiring individuals, it also has an impact on the finances of pension funds and retirement systems. The demographic profile of the population will undergo profound changes as members of the Baby Boom generation – persons born between 1946 and 1964 – start reaching retirement age in 2011.

The number of people retiring each year also affects the size of the labor force, which has a direct impact on the economy's capacity to produce goods and services. As noted, the age profile of the working-age population already is undergoing a shift toward a greater number of older workers and a relative scarcity of new entrants to the labor force. The oldest Baby Boomers reached 55 years of age in 2001, while the youngest of that generation will reach 55 years in 2019. The entire Baby Boom generation will be over 65 by the year 2030.

The number of people aged 65 and older in Southwest Minnesota is projected to rise by 43.3 percent – from 33,559 now to about 48,100 in 2030. At the same time, the number of working-age adults from 25 to 54-years-old – who will largely be the ones working and paying to support their elders – will decrease by 11.8 percent – from 65,049 to 57,400 in 2030. Even after all the Baby Boomers are retired, the number of elderly people is expected to keep rising at a faster rate than the number of non-elderly people, because life-spans continue to lengthen. Their sheer numbers suggest that the impact on labor markets could be substantial if this generation chooses to retire earlier – or remain in the workforce longer – than previous generations.

Combine the projected declines among younger age cohorts with the higher age-specific participation rates, and a growing gap appears – a gap between the number of people available and willing to enter the labor force and the number of people leaving the labor force. It is possible for older workers to stay in the market longer to make up for declining numbers of new entrants in the labor force, but will they do it? They might have to – any projected growth in the labor force in Southwest Minnesota depends on it.

According to Labor Force Projections from the Minnesota State Demographer listed above, four out of five counties in Region 6W and four out of nine counties in Region 8 are projected to have smaller labor forces in 2030 than in 2005. Swift County, at 7.3 percent, and Nobles County, at 4.4 percent, are projected to see the largest increases (and Swift County's growth is overstated because of the prison influx). In all counties, the fastest growing labor pool will come from workers aged 65 years and over. Overall, Region 8's labor force is expected to increase 2.8 percent from 2000 to 2030, while Region 6W's labor force will grow a marginal 0.8 percent over the three decades. (See Table 3.)

# Table 3: Region 8 Projected Labor Force

	2000	2005	2010	2015	2020	2025	2030	2000 - 2010	2000 - 2030
Total labor force	63,203	65,060	66,390	66,650	66,090	65,340	64,960	5.0%	2.8%
Male labor force	33,780	34,510	34,910	34,940	34,580	34,140	33,820	3.3%	0.1%
Female labor force	29,423	30,540	31,470	31,710	31,510	31,220	31,150	7.0%	5.9%
Age 16-24	10,624	11,180	10,730	10,310	9,960	10,020	10,310	1.0%	-3.0%
Age 25-44	27,446	25,030	24,410	24,670	25,070	24,940	24,190	-11.1%	-11.9%
Age 45-64	21,484	25,090	27,140	26,710	24,940	23,260	22,850	26.3%	6.4%
Age 65 plus	3,649	3,710	4,110	4,930	6,110	7,140	7,600	12.6%	108.3%

Percent Change

Percent Change

# **Region 6W Projected Labor Force**

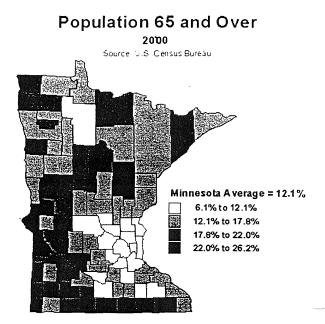
	2000	2005	2010	2015	2020	2025	2030	2000 - 2010	2000 - 2030
Total labor force	24,292	25,090	25,550	25,500	25,140	24,680	24,480	5.2%	0.8%
Male labor force	12,912	13,200	13,300	13,250	12,940	12,660	12,530	3.0%	-3.0%
Female labor force	11,380	11,910	12,260	12,250	12,200	12,020	11,950	7.7%	5.0%
Age 16-24	3,428	3,670	3,420	3,180	3,020	3,050	3,170	-0.2%	-7.5%
Age 25-44	10,460	9,370	9,060	9,220	9,400	9,330	9,030	-13.4%	-13.7%
Age 45-64	8,912	10,480	11,310	10,970	10,030	9,150	8,980	26.9%	0.8%
Age 65 plus	1,492	1,570	1,760	2,140	2,680	3,160	3,330	18.0%	123.2%
Source: Minnesota State Demographer									

# The Baby-Boom Workforce in Southwest and South Central Minnesota

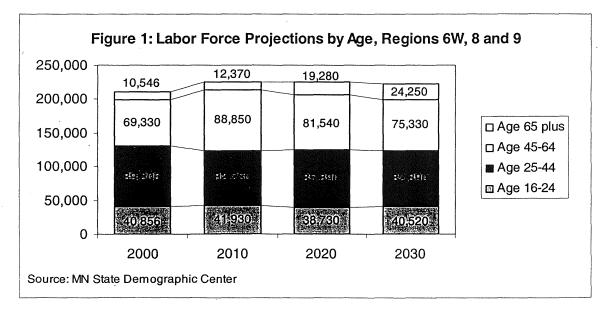
Long-term planning might not be the first thing businesses think about when looking at workers aged 65 years and over. But changing demographics show that employers in Southwest and South Central Minnesota will need to start factoring older workers into their business strategies, as these "vigorous and extremely attractive" workers will make up an increasingly important part of the labor force in these areas.

As a group, baby boomers are among the largest generations, and they account for a significant share of the current workforce. Born between 1946 and 1964, the first wave of baby boomers will soon start to hit retirement age, and many employers are concerned about impending worker shortages. This issue is of particular importance in the Southwest and South Central areas of the state, where average ages are already above the state norm, and where in some counties declining populations are already a reality. (See Map.)

In fact, the numbers of young persons in many counties in the region are projected to shrink at the same time that the numbers of people aged 65 years and over are projected to more than double. Seniors accounted for about 17 percent of the



regions' population in 2000, and that number may climb to 25 percent or higher in 2030. Those estimates also foreshadow changes in the regional workforce, including an eight percent increase in the workforce age 45 to 64 and a 130 percent increase among workers 65 and older. (See Figure 1).



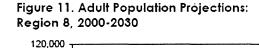
#### IN THE LABOR FORCE

Labor force participation rates in Region 8 are significantly lower than elsewhere in the state, mainly because of the size of the region's older, retired population.

Participation rates are highest for workers in their 20s, 30s and 40s, and lower for older cohorts. Those who can afford to retire early often do. (See Figure 10.)

#### THE POPULATION AGES

The senior citizen age bracket comprises the fastest-growing segments of the population as Baby Boomers reach retirement age – and continue to live longer. This may have significant ramifications for the region's workforce. There is some debate as to whether economic conditions and longer lives might compel older workers to reenter the market. Unless labor force participation rates change dramatically – and they have been fairly constant over the past decade – the size of the active workforce will likely decline. Indeed, the working-age population (15-64) will go into decline by 2015, with more people in their 60s than their 20s. (See Figures 11 and 12.)



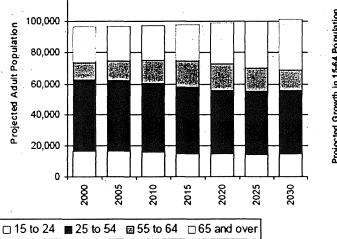
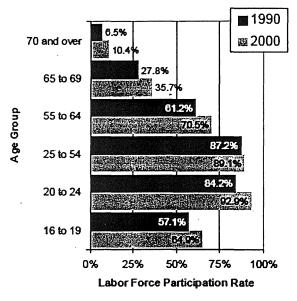
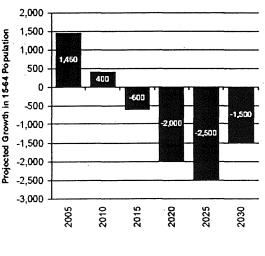


Figure 10. Region 8 Labor Force Participation: 1990-2000



Source: U.S. Census Bureau. 1990 Census, STF-3, and Census 2000, SF-3

Figure 12. Projected Growth in Working-Age Population: Region 8



Source: Minnesota State Demographer. Population Projections, 2000-2030

http://www.deed.state.mn.us/lmi/\_shared/assets/region811417.pdf

In addition to increasing life expectancies, these projections also include assumptions about continued upticks in labor force participation rates among older workers—a trend that was prominent in the last decade and is expected to persist as older workers stay on the job longer or re-enter the workforce for a variety of personal or financial reasons.

In 2000, labor force participation rates for persons aged 65 to 69 years was as high as 36 percent in Economic Development Region 8 (EDR 8); followed by 34 percent in EDR 9 and 32 percent in EDR 6W. Perhaps not surprisingly, these were the three highest rates among the 13 economic development regions in the state. Led by Sibley County, where nearly one in every five people 65 years and over and three out of every four people aged 55 to 64 remain active in the labor force; more than half (13) of the top 25 counties in the state for older worker participation rates are located in Southwest and South Central Minnesota.

#### Staying involved in the labor market

Especially in Southwest Minnesota, workers aged 55 years and over play a vital role in labor availability in the region. They are employed in many industries, but tend to be found more often in the healthcare and social assistance, retail trade, manufacturing, and educational services sectors.

Table 1 displays the industries employing the largest number of older workers in Workforce Service Area 6 (the 14 counties in Southwest Minnesota) and Workforce Service Area 7 (the nine counties in South Central Minnesota). Sheer numbers of workers in these industries, as well as information about hiring growth, suggest that most of them provide good employment opportunities for workers 55 and older.

	rea v (Svum	west Region		
Industry Sector	Workers 55:64 years	Workers 65 years and over	ालको ज्ञारेक्स 55 प्रकार आगे ज्यार	Percent of indusiny workers
Educational services	939	172	1,111	24.0%
Nursing and residential care facilities	716	368	1,084	26.7%
Hospitals	541	202	743	21.8%
Executive, legislative, and general government	459	199	658	19.9%
Merchant wholesalers, nondurable goods	372	167	539	18.4%
Machinery manufacturing	418	49	467	17.5%
Ambulatory healthcare services	314	102	416	14.4%
Food manufacturing	319	62	381	9.1%
Workforce Service Are	a 7 (South C	entral Regi	on)	
Industry Sector	Workers 55:6:1 Vens	Workers of vers milover	<b>Dotai</b> w <b>orke</b> ss \$5,years and over	Parcential Influsiny Redears
Educational services	1,538	245	1,783	22.8%
Food manufacturing	799	207	1,006	16.1%
Nursing and residential care facilities	670	304	974	18.9%
Printing and related support	614	139	753	14.1%

# Table 1: Industries Employing Largest Numbers of Workers 55 to 64 and 65 and older Workforce Service Area 6 (Southwest Region)

Social assistance	395	332	727	21.7%			
Executive, legislative, and general government	442	238	680	22.5%			
Merchant wholesalers, nondurable goods	340	157	497	19.3%			
Hospitals	377	99	476	16.4%			
Source: Local Employment Dynamics, Quarterly Workforce Indicators. Average employment 3rd Quarter 2003 to 2nd							
Quarter 2004							

Many of these industries also employ large numbers of younger workers, so in terms of workforce planning it's instructive to determine which industries have a disproportionate share of workers in their late 50's or early 60's—the baby boomers that are approaching retirement age. Interestingly, these may be the industries most prepared for the changing workforce demographics; whereas other industries that rely on a younger base of workers may struggle to meet their hiring needs.

However, these industries might also be seeing immediate challenges to retaining – or retraining – their current workforce, as retirees might have to be replaced with "new" workers who are also getting near retirement. Examples include transit and ground passenger transportation, where in Southwest and South Central region workers aged 45 years and over account for about 70 percent of the total industry workforce. Likewise, certain segments of government administration in Southwest and South Central Minnesota have more than 60 percent of their workers aged 45 years and over. (See Table 2.)

Workforce Service Area 6	(Southwest Reg	gion)	
	Shareof	Shareof	Shareof
Industry	Workers	Workers	Workers
	45 to 54	551064	65 and older
Transit and ground passenger transportation	25.7%	26.9%	20.5%
Apparel manufacturing	23.2%	32.3%	17.2%
Administration of economic programs	40.0%	21.4%	5.7%
Administration of environmental quality programs	37.6%	17.3%	7.1%
Administration of housing programs	25.9%	20.7%	13.8%
Workforce Service Area 7 (S	South Central F	Region)	
	Share of	Share of	Share of
Industry	Workers	Workers	Workers
and the second	45 (0 54	- 55 (0) 64	65 and older
Transit and ground passenger transportation	23.1%	21.2%	26.7%
Other information services	28.6%	29.9%	11.7%
Electrical equipment and component manufacturing	45.7%	18.2%	0.8%
Museums, historical sites, and similar institutions	14.6%	29.3%	19.5%
Administration of economic programs	43.9%	15.3%	3.1%

## Table 2: Age Distribution, Select Industries in WSA 6 and WSA 7

Source: Local Employment Dynamics, Quarterly Workforce Indicators. Average employment 3<sup>rd</sup> Quarter 2003 to 2<sup>nd</sup> Quarter 2004.

It is important to note that Table 2 does not include agricultural employment or self-employed persons, although national data shows that rates of self-employment are higher for older workers than younger workers (19.1 percent for individuals 65 and older versus 5.3 percent for 25 to 34 year olds in 2003). Similarly, the Minnesota Agricultural Statistics Service shows that the average age of farmers in all 23 counties in the region is between 50 and 55 years.

#### Occupations of interest

In terms of occupations, the largest shares of workers in their late 50s and early 60s are employed in professional, managerial, administrative, and sales occupational groups. Assuming the national age composition of individual occupations is similar to the regional composition, we can start to identify occupations that have a large share of older workers.

The list below shows some of the occupations that have large shares of older workers in the U.S. The data is limited to occupations that employ large total numbers of people so that we can identify the most significant areas for workforce planning. Smaller occupations with large shares of older workers include things like crossing guards, funeral service workers, postmasters, judges and judicial workers, legislators (including local elected officials), and railroad workers.

# Select Occupations Employing Workers Age 50+ by Share of Total Employment, U.S.

Farmers and Ranchers (51.7%) Real Estate Brokers and Sales Agents (47.6%) Clergy (45.0%) Bus Drivers (42.2%) Chief Executives (41.3%) Education Administrators (39.9%) Property, Real Estate, and Community Association Managers (39.7%) Personal and Home Care Aides (38.1%) Postsecondary Teachers (36.0%) Insurance Sales Agents (35.3%)

## Employer approaches for working with older employees

A national AARP survey of employers identified certain approaches for working with older employees that are more likely to be effective, including targeted benefit packages, part-time work arrangements with continued benefits, and educating supervisors about ways to utilize older workers. Unfortunately, the survey also showed that only four in 10 of the executives said that their companies used these policies.

When asked, the top qualities of older workers identified by those surveyed were: company loyalty; a commitment to doing quality work; a solid performance record; solid job and industry experience; basic skills in reading, writing and arithmetic; and the ability to get along with co-workers, among other things. Older employees were described as falling short only in the category of "willing to be flexible and doing different tasks," according to the survey.

Information about the age composition of industries and occupations can be used to better understand current staffing issues, as well as identify potential areas of concerns. While it may seem counterintuitive to do long-range planning with older workers in mind, businesses in the Southwest and South Central regions of the state will have an opportunity to capitalize on the experience and skills of this important segment of the workforce.

By Jennifer Ridgeway and Cameron Macht

# **OVERVIEW OF ADULT BASIC EDUCATION (ABE) IN MINNESOTA - FY 2005**

Dr. Barry Shaffer, MN State Director of Adult Education (651) 582-8442 2004-5 Program Year – Revised: 2-7-06



The **mission** of Adult Basic Education in Minnesota is to provide adults with educational opportunities to acquire and improve their literacy skills necessary to be self-sufficient and to participate effectively as productive workers, family members, and citizens.

# ABE PROGRAMS AVAILABLE:

**GED** - General Educational Development diploma. National high school equivalency program that includes a set of 5 tests: Math, Reading, Writing, Social Studies, and Science.

► Adult Diploma - Programs for eligible adults leading to a high school diploma from a sponsoring Minnesota school district.

**ESL** - English as a Second Language. For learners whose native language is not English.

**Basic Skills Enhancement** - For learners who need goal-specific elementary or secondary level basic skills such as work-related math, functional literacy (e.g.- banking skills), reading or writing assistance. Generally considered "brush-up" and not leading to a diploma or GED.

**Family Literacy** - Program for adults and their children. Features instruction for adults in literacy, instruction in parenting, and educational/developmental services for kids.

▶ Workforce Preparation - Literacy skills related to learners' need to obtain, retain or improve their employment. "Workforce Education" provides basic academic and literacy skills to learners who are already employed by a specific business, industry, or company - typically provided at the learners' place of employment. "Employment Readiness" programs include general employability skills (e.g. - résumé development, interview skills, career awareness, job seeking skills, etc.) and instruction in soft skills that are essential in the workplace.

► Citizenship / Civics Education - Programs which prepare Minnesota non-citizens for U.S. citizenship. Includes application preparation and English language instruction. Civics Education includes content related to general civics knowledge and participation in democratic society.

CORE CONTENT	Conditional or Supplementary Content:		
<ul> <li>Reading • Writing</li> <li>Speaking • Listening</li> <li>Mathematics</li> </ul>	Citizenship / Civics Knowing How to Learn Basic Technology Skills Transition to Higher Ed.	Creative Thinking and Problem Solving Personal, Group and Societal Effectiveness Employment Readiness / Workforce Ed. Study Skills	

**ELIGIBILITY:** Must be 16 and over, not enrolled in secondary school, and functioning below the 12<sup>th</sup> grade level in any of the basic academic areas including reading, math, writing and speaking English.

**ENROLLMENT:** FY 2005 (May 1, 2004 through April 30, 2005)

## Total ABE Adult Enrollment 80,452

ESL	38,699 (48%)		
Basic Skills (general)	21,895 (27%)		
GED + Diploma	15,305 (19%)		
Workforce Prep	4,553 (6%)		
Family Literacy	1,200		
Citizenship	1,102		
(duplicate counts in last 2 categories above)			

## Selected Participant Characteristics:

15,109 (18%)
15,439 (19%)
8,968 (10%)
12,092 (14%)
29,832 (39%)
56,560 (72%)
ategories above)

# OUTCOMES - FY 2005:

Adult Basic Education addresses a variety of learner goals. ABE helps learners to:

- Attain employment and/or better their current employment;
- Achieve high school equivalency (GED or Adult H.S. Diploma);
- Attain skills necessary to enter post-secondary education and training;
- Exit public welfare and become self-sufficient;
- Learn to speak and write the English language;
- Master basic academic skills to help their children succeed in school;
- Become U.S. citizens and participate in democratic society; and
- Gain self-esteem, personal confidence and sense of personal and civic responsibility.

## FY 2005 Selected Outcome Results:

- > One out of every eleven diplomas issued in MN during 2005 was a GED or Adult H.S. Diploma.
- > ABE enrollment has increased by 78% since 1995 (45,322 to 80,452 participants).
- > The annual cost per adult learner is \$534.

GED's earned	6,525	Left public assistance*	271*
H.S. Diplomas	1,211	Entered post-sec. Ed.*	4,542*
Earned US Citizenship*	435*	Able to assist children in school*	14,496*
		Gained or bettered employment*	3,582*

\* Under-reported due to lack of electronic MIS data collection and follow-up system

## PROGRAM DELIVERY:

<u>53 ABE Consortia</u> - Adult Basic Education is delivered statewide at over 500 sites located in public schools, workforce centers, community/technical colleges, prisons/jails, libraries, learning centers, tribal centers, and non-profit organizations. Programs have voluntarily formed ABE consortia (53 admin units) to maximize efficiency and to share resources.

**1,200 Teachers** - Public school ABE programs are required to use K-12 licensed teachers or teachers with a degree in ESL. About 300 teachers hold the permissive ABE teaching license in addition to the K-12 license. Many other non-school district ABE providers use licensed teachers if they are available. Most (¾) teachers are part-time. In addition to professional teachers, over 3,600 trained volunteer literacy tutors assist in ABE annually.

<u>Staff Development</u> - Statewide and regional staff development for ABE educators is typically provided by federal ABE funds through the nationally recognized MN Literacy Training Network (Univ. of St. Thomas contract). In 2001, the ABE law specified that 2% of the state ABE appropriation may support "supplemental services". Using these funds, the State ABE office has funded programs including the Literacy Training Network, the Minnesota Literacy Council (MLC), the Learning Disabilities Association (LDA), Communication Services for the Deaf (CSD), Physical Disabilities ABE Project, and other topical staff development and data management programs. Volunteer tutor training is provided via contract through MLC while the State Literacy Technology Center (at MLC) provides technology training and related ABE technology services.

<u>Adult Basic Education Law</u> – ABE operates under both state and federal law. The state law (which provides 83% of ABE funding) is M.S. 123D.51. No operating or administrative monies are provided to the MN Department of Education (MDE) under the state ABE law. Federal funds are provided under Title II of the Workforce Investment Act. Title II is called the "Adult Education and Family Literacy Act". Administrative policies are established by the Adult Basic Education Office of MDE. The state MDE-ABE office employs seven staff to provide administrative oversight and technical assistance to over 500 programs and 1,200 ABE educators statewide.

## ABE FUNDING:

Due to the rapidly expanding need, state funding for Adult Basic Education has been revised frequently since 1998. Currently, state funds are provided to approved programs (53 consortia) using a mandated aid formula integrating school district population, LEP counts, census no-diploma data, and prior year learner contact hours. Competitive grant funds (one-time appropriations) and ongoing Federal ABE funds are also allocated. Two percent of the annual state appropriation is authorized to support a system of "supplemental services" and helps fund innovative ABE grants (¼ of the funds) and statewide services (¾) including staff development, technology, distance learning, and special needs services.

	FY2003	<u>FY 2004</u>	<u>FY 2005</u>	FY 2006
State ABE Aid	\$ 31,659,000	\$34,388,000	\$36,509,000	\$36,518,000
ABE Local Levy	\$0	\$ O	\$ O	\$ O
Federal ABE Aid	\$ 5,862,007	\$ 6,002,337	\$ 6,096,589	\$ 6,050,000
Grant Programs	<u>\$ 1,726,960</u>	<u>\$ 682,138</u>	<u>\$ 736,302</u>	<u>\$ 758,456</u>
TOTAL \$	\$ 39,247,967	\$41,072,47 <u>5</u>	<u>\$43,341,891</u>	\$43,326,456
Enrollment	81,821	81,388	80,452	82,000 est.
Cost per Learner/yr.	\$480	\$504	\$539	\$540 est.

# LITERACY NEEDS/FACTS IN MINNESOTA:

- 12% of Minnesotans over 25 years old (381,345 adults) lack high school equivalency. However, of the ABE "target population" which is 16 and over and not enrolled in school, a total of 624,250 persons lack their high school equivalency. 2000 U.S.Census
- The NALS (Nat'l Adult Lit. Survey 1993) study reports 8% (254,230 individuals) of MN's adult population is at the lowest of five levels of functional literacy and 20%(635,575) have "functional literacy" needs.
- 42% of the current MFIP caseload does not have a high school degree or the equivalent. Many participants who have completed a high school education have reading and math abilities far below the 12<sup>th</sup> grade level. It is difficult for this group to find and retain jobs. DHS TANF report
- MN's immigrant and refugee population has expanded to record levels, especially Asian, Hispanic and African population groups; 5.3% of all Minnesotans are foreign born; an estimated 200,000 are in need of ESL. DHS 2003 Approximately 35,000 permanent Minnesota residents lack US citizenship. 2003 DHS est.
- > Public schools report that the numbers of parents are growing, not declining, whose lack of basic skills are barriers to the success of their children. *MDE*
- The average annual per pupil cost for ABE is \$550/pupil. If MN high schools had no dropouts, the state K-12 budget would require \$50M more per year (10,000 dropouts x \$5,000/yr). Given this differential cost per learner, ABE is a highly cost-effective "safety net" for dropouts. MDE
- Major MN employers report large costs to train and retrain employees whose lack of basic skills or ability to speak English are liabilities to the profit line. The average dropout earns \$7,000 less annually than the average high school or GED graduate. MN Bus. Partnership and 2000 Census
- Thirty-six percent of job applicants tested by major U.S. firms in 1998 lacked the reading and math skills to do the job they sought. This figure is up from 23 percent in 1997, and 19 percent in 1996. Amer. Mgt. Assoc.
- Job seekers with educations below that of a typical dropout will qualify for just 9% of the new jobs created between 1998 and 2008. Dropouts in 1998 earned an average of \$20,300 while earners with some college brought home \$31,600 that year. ETS Study, 2002

# Attachment D: DHS, MACSSA and MLFCCA Representatives

# Family Child Care Licensing Fee Study DHS, MACSSA and MLFCCA Representatives

- Carolyn Carr, Department of Human Services, Child Development Services, carolyn.carr@state.mn.us
- Karen Erickson, Department of Human Services, Licensing Division, karen.w.erickson@state.mn.us
- Deloris Friske, MLFCCA, friske@frontiernet.net
- Jenny Gordon, Ramsey County, jenny.gordon@co.ramsey.mn.us
- Ruth Krueger, Dakota County, ruth.krueger@co.dakota.mn.us
- Peggye Mezile, Ramsey County, peggye.mezile@co.ramsey.mn.us
- Beth Mork, MLFCCA, beth.mork@mlfcca.org or beth.mork@msn.com
- Karen Pitts, Department of Human Services, Child Development Services, karen.pitts@state.mn.us
- Milt Schoen, Hennepin County, milton.schoen@co.hennepin.mn.us
- Michelle Thole, MLFCCA, LTho624@aol.com

# Attachment C: Minnesota Session Laws 2005, 1<sup>st</sup> Special Session, Chapter 4, Section 18

Sec. 18. [RECOMMENDATIONS ON STANDARD STATEWIDE CHILD CARE LICENSE FEE; REPORT.]

The commissioner of human services in conjunction with the Minnesota Association of County Social Service Administrators and the Minnesota Licensed Family Child Care Association, shall examine the feasibility of a statewide standard for setting license fees and background study fees for licensed family child care providers, and shall make recommendations on the feasibility of a statewide standard for setting license fees and background study fees in a report to the chairs of the senate and house of representatives committees having jurisdiction over child care issues. The report is due January 15, 2006.

Legislative history and Authors







# **COORDINATION OF EARLY CARE AND EDUCATION PROGRAMS**

A Report to the Minnesota Legislature

March 2006

# **Legislative Directive**

This report is in response to the following directive from the 2005 Minnesota Legislature:

**Coordination of Early Care and Education Programs.** Laws of Minnesota 2005 First Special Session, Chapter 5, Article 7, Section 18. The commissioners of education, human services, and health shall identify how they will coordinate activities and resources, with input from local communities and tribal governments, including setting priorities, aligning policies, and leveraging existing resources to achieve the goal for increased school readiness of all Minnesota children. The commissioners shall report on the progress made, which must include information on: 1) coordinating and disseminating resources and information on school readiness and early care and education, health and nutrition, including child mental health and family support to parents and families with children birth to age five through key entry points, such as women, infants, and children (WIC), family home visiting, child welfare, public and private health care providers, and other public programs; and early care and education providers, public and private health care providers, foster care providers, temporary care providers, shelters, crisis nurseries, and other facilities providing long-term or temporary care for young children, birth to age five; 2) supporting families, schools, and communities in facilitating the transition of young children into the kindergarten environment; 3) identifying, coordinating, and sharing resources and strategies between state departments that address the cultural and linguistic needs of families served: 4) amending the state Medicaid plan to expand the use of the child and teen checkup funding for allowable child development services, such as outreach for early childhood screening, and streamlining the process for voluntary certification of school districts as child and teen checkup providers; and 5) referring children ages three to five in the child welfare system to the Interagency Early Intervention System for a developmental screening and referral to services if problems are identified.

The commissioners shall report to the senate and house of representatives committees having jurisdiction over early care and education by March 1, 2006.

# Background

Improving children's school success is a major focus of Minnesota's Department of Education (MDE). Toward this end, the Department administers specific programs to help children during their early childhood years develop and refine their readiness skills, most notably School Readiness, Head Start and Early Childhood Special Education. However, school readiness cannot be achieved by simply attending one of these programs. School readiness is defined as the skills, knowledge, behaviors, and accomplishments that children know and can do as they enter kindergarten in the areas of motor development, social and emotional development, language development, cognition and creativity. Clearly school readiness implies an integration of experience and opportunity and at the state agency level, involves programs and practices from the Department of Human Services (DHS) – child welfare, child care, Child and Teen Checkups, children's mental health, family support - and the Department of Health (MDH) – Family Home Visiting, WIC, immunization policy,

Child Find, Vision and Hearing Screening - as well. In recognition of this fusion, the Minnesota Legislature calls upon the three state agencies to coordinate their efforts on behalf of young children and their families in order "to achieve the goal for increased school readiness of all Minnesota children."

# **Process for Development of Report**

Minnesota Department of Education Commissioner Alice Seagren convened a meeting with Minnesota Department of Health Commissioner Dianne Mandernach and Minnesota Department of Human Services Commissioner Kevin Goodno and their respective designees to plan the legislative report for the legislature. After the initial meeting, representatives from each agency met to identify the programs that each agency has which supports early care and education, indicate where agencies have existing coordination practices and to identify programs and services where more coordination can take place. Report content from the three agencies was drafted into a final report and presented to the commissioners for their approval at a meeting in February. The final document is posted on the Minnesota Departments of Education, Health, and Human Services websites. Plans are underway to disseminate the report to community stakeholders.

# State and Local Coordination to Achieve the Goal of Increased School Readiness

In administering their respective programs for young children and their families, the three state agencies work together to coordinate efforts and determine the most effective ways to provide services to local communities. Generally, agencies follow a process as outlined below to improve service delivery, help contain costs, reduce service overlap and duplication, close service gaps and encourage community collaboration.

- Gather input from stakeholders including parents, local providers, counties, and leaders of cultural communities through community forums, group surveys and interviews, and various targeted outreach methods.
- Form interagency groups with appropriate agency staff to identify the particular issue and work toward resolution. (See examples below.)
- Review pertinent literature, examine current research and identify successful practices and policies from other states.
- Coordinate relevant programmatic aspects and activities with existing public and private efforts, both at the state and local levels.

Three examples of current coordinated activities include:

**Interagency Screening Programs Team** – The team promotes collaboration among DHS, MDE and MDH children's screening programs to improve access to and coordination of services. Collaboration occurs in areas such as staff development and training, program policy implementation, shared screening tools, forms and the development of web site links. Jointly sponsored workshops focus on varying aspects of the screening process (outreach, screening and referral follow-up) with an emphasis on promoting coordination of services among local screening partners, such as schools, public health agencies and Head Start programs. Other activities include collaboration on special projects such as the development of *The Minnesota Quality Indicators for Child Health and Developmental Screening: A Comprehensive Framework to Build and Evaluate Community-Based Screening Systems (Quality Indicators Framework)*, January 2004. This framework promotes improved community collaboration and accountability within and across programs.

**The Interagency Developmental Screening Task Force** – This group was convened to assure the quality and effectiveness of, and provide a standard of practice for, the developmental component for screening children birth to age five. Partners include the Minnesota Departments of Education, Health and Human Services and the University of Minnesota, Irving B. Harris Center for Infant and Toddler Development. The goals of the Task Force are to develop criteria for developmental screening instrument selection and a listing of recommended and/or approved developmental screening instruments and to propose an evaluation process on the use of the *Quality Indicators Framework* for improving developmental screening for infants and young children.

**Minnesota Early Childhood Indicators of Progress** – Efforts by the Minnesota Departments of Education and Human Services have culminated in the publication of a document that recognizes the importance of shared responsibility and accountability in achieving positive outcomes for children ages 3 to 5 and the drafting of a similar document for children ages birth to 3. Both documents provide a framework for understanding and communicating a common set of developmentally appropriate expectations for young children to be used by parents, service providers, teachers, community leaders and policymakers.

# 1. <u>Coordinating and Disseminating Resources and Information on School Readiness and Early Care and</u> Education, Health and Nutrition, including Child Mental Health and Family Support

Attached please find the chart entitled "Coordinating and Disseminating Resources and Information on School Readiness and Early Care and Education, Health and Nutrition, including Child Mental Health and Family Support". This chart reflects work by agency staff and identifies the state agency programs that support early care and education. It also indicates where state agencies have existing coordination practices and where more coordination can occur. (See Attachment A.)

# 2. <u>Supporting families, schools, and communities in facilitating the transition of young children into the kindergarten environment</u>

Children are eligible for kindergarten in Minnesota if they are at least five years of age by September first in the admission year (M.S. 120A.20) and have completed a developmental screening prior to kindergarten entry. (Exceptions to the screening requirement exist for parents with deeply held beliefs and are found in M.S. 121A.17 Subd.2.)

There are a number of ways family members, teachers and caregivers, community members and policymakers can assist and support children's transitions from their homes and early education settings into kindergarten. This time of transition can be an exciting one for children and families who come with many expectations, hopes and sometimes fears about kindergarten. Minnesota has numerous opportunities to help with this transition and communities offer a variety of activities that can help children build the foundation for future success in kindergarten.

The Minnesota Department of Education reviewed relevant literature and surveyed local early childhood education program staff to prepare this brief pursuant to direction by the Minnesota Legislature (Laws of Minnesota 2005 First Special Session, Chapter 5, Article 7, Section 18).

Local early educators and school districts employ a variety of transition activities, of which only a portion are represented at the MDE website below. Local Head Start, Early Childhood Special Education, School Readiness, Early Childhood Family Education, and preschool and child care programs partner with parents and school districts to support successful kindergarten transition. Each community uses a combination of transition strategies to best serve area families.

For more information and a listing of opportunities and activities, please visit <u>http://education.state.mn.us/mde/Learning\_Support/Early\_Learning\_Services/index.html</u> (go to Early Learning Services Program Directory Search under Current Topics, enter search criteria).

# 3. <u>Identifying, coordinating, and sharing resources and strategies between state departments that address</u> <u>the cultural and linguistic needs of families served</u>

Listed below are resources at Departments of Human Services, Health and Education that address cultural and linguistic needs of families, related to the goal of supporting school readiness.

Each agency offers access to services and information through a variety of methods, including written translation of materials, multi-lingual referral lines, bi-lingual staff and contracted vendors who provide bi-lingual and culturally diverse services specific to community needs. Much of the direct work with families occurs at the local county, non-profit agency or school district level. The resources listed here are the services and materials available state-wide.

## **Department of Human Services**

- <u>Cultural Competency Guidelines For the Provision of Clinical Mental Health Services</u> <u>To American Indians In the State of Minnesota</u> (by the American Indian Mental Health Advisory Council) <u>http://edocs.dhs.state.Minnesota.us/lfserver/Legacy/DHS-4086-ENG</u>
- <u>Guidelines for Culturally Competent Organizations</u>
   Second Edition May 2004
   (Minnesota Department of Human Services)
   <u>http://edocs.dhs.state.Minnesota.us/lfserver/Legacy/DHS-3963-ENG</u>

Each administration in DHS has a Reduce Disparities Plan with performance indicators to measure progress. This effort was initiated by Commissioner Goodno in December 2003.

DHS Multilingual Phone Line Referral Lines are designed in ten languages to provide information and referrals to callers who have limited English proficiency. Through contracts with community based organizations, interpreters help families connect with services related to health care, Early Childhood Screening program, child care assistance and other social services.

DHS coordinates a Limited English Proficiency Plan review process to ensure that each county in Minnesota has plans, staff training and resources in place to provide meaningful access to all DHS-related services.

DHS translates brochures, applications and other materials in multiple languages. Counties and social service agencies can access all materials through e-docs, an online repository of documents, sorted by language or topic area.

DHS provides funding for expanded over-the-phone interpreting services for child care resource and referral agencies statewide serving the Hmong, Somali and Spanish speaking communities.

DHS is a co-sponsor of <u>MinnesotaHelp.Info</u>, a website that includes information on community services, available in Spanish and English. Additional languages are being added.

## Some specific initiatives highlight collaborations

## **Child and Teen Checkups**

Through the Early and Periodic Screening, Diagnosis and Treatment Program, (EPSDT Program) or Child and Teen Checkups (C&TC) as it is called in Minnesota, DHS supports the creation and sharing of multi-cultural materials. For example, the Metro C&TC Coordinators, as part of the Metro Action Group (MAG), formed workgroups, including members from diverse communities and created materials such as videos, posters and calendars and shared them with program staff around the state.

**DHS Child Development Services** coordinates activities and contracts with agencies that provide culturally specific services related to school readiness. Some examples are:

# Tribal Early Childhood Network (TECN)

DHS sponsors Tribal Early Childhood Network meetings to bring early childhood professionals and child care providers together to share information about child care services for American Indian children. Members of the network include: The White Earth Tribal and Community College, The Early Childhood Resource and Training Center, Mille Lacs Head Start, Red Lake and New Beginnings Child Care, The Minnesota Department of Education, Fond Du Lac Child Care Regional, Leech Lake Early Childhood Program, Bois Forte Child Care Center and others.

# Early Childhood Resource and Training Center (ECRTC)

DHS supports ECRTC in providing programs, resources and training to support formal and informal child caregivers in diverse cultural and linguistic communities. ECRTC offers community-based education, career path guidance, and English language learning opportunities for those interested in working with young children. Efforts include delivery models such as home visiting for family members, friends and neighbors caring for children and development of training curriculum that focuses on the importance of

culture in the healthy social development of all children and concepts and skills important to working with families and children around differences in culture and ability.

**Department of Education** translates brochures, applications and other materials in multiple languages. Parents, schools, counties and social service agencies can access materials through the MDE website or order by phone or fax. Materials are developed with review by language specific community focus groups.

**Department of Health** translates brochures, applications and other materials in multiple languages. Families and agencies can access all materials via the web or order over the telephone. Examples include: Early Intervention Developmental Wheel available in English and Spanish; Follow Along Program forms and brochures available in English and Spanish; and Immunization education materials available in: Bosnian, Hmong, Russian, Somali, and Spanish. Community engagement tools help to increase diversity, promote cultural competence, and enhance organizational effectiveness and reliability. These tools can be found at <a href="http://www.health.state.mn.us/communityeng/multicultural/index.html">http://www.health.state.mn.us/communityeng/multicultural/index.html</a>

MDH's WIC program provides a language line for families.

# 4. Amending the state Medicaid plan to expand the use of the Child and Teen Checkups Funding

The legislation calls upon the commissioners to report on, "amending the Medicaid state plan to expand the use of the Child and Teen Checkups funding for allowable child development services, such as outreach for early childhood screening, and streamlining the process for voluntary certification of school districts as Child and Teen Checkups providers."

# A. Expand the use of the Child and Teen Checkups funding for allowable child development services

The Medicaid state plan as it is currently written allows for all medically necessary services a child enrolled in Medical Assistance may need to address developmental problems that are discovered through provider visits, screening and subsequent follow-up and assessment by pediatric or other specialists. As the state Medicaid agency, it is the view of the Department of Human Services that no expansion is necessary.

The federal Early Periodic Screening, Diagnosis and Treatment (EPSDT) law is quite prescriptive regarding the use of Medicaid funding for Medicaid services. Using Medicaid funding to provide outreach for non-Medicaid programs is neither advisable nor would it be permitted because it is in conflict with federal Medicaid law.

# B. Streamlining the process for voluntary certification of school districts as Child and Teen Checkups providers

A review of the process for voluntary certification of school districts as Child and Teen Checkups providers indicates that the process and criteria for certification for a clinic located in a school are clearly laid out in Minnesota Rule 9505.1696, Subpart 3 and 9505.1703. If criteria were reduced, the quality of care delivered would be compromised as the primary criterion consists of having appropriately trained medical professionals providing services within their scope of practice. Decreasing the current standards for licensure and/or certification for medical personnel in order to provide clinical services in school settings is not recommended by DHS nor would such differential criteria for providers in a particular setting receive federal approval. It is typically the case that existing barriers to school-based clinics have more to do with community sentiments regarding school-based clinics than with any difficulty in meeting DHS criteria.

# 5. <u>Referring Children in the Child Welfare System</u>

National data shows that many children in the child welfare system are very young and tend to have a higher rate of developmental delays and disabilities than the general population. Laws at the federal and state level have recently passed to support screening of children in the child welfare system. The intent is to ensure children involved in the child welfare system are screened to identify mental health needs or educational services to improve the functioning level for children with developmental delays.

A. The federal Keeping Children and Families Safe Act of 2003, formerly known as Child Abuse Prevention and Treatment Act (CAPTA), requires child protection workers to refer children under age 3 who are involved in a case of substantiated maltreatment, for early childhood developmental screening funded through Part C of the Individuals with Disabilities Education Act (IDEA). Parental consent is not required for child protection workers to make the referral. The county child protection worker must refer an eligible child for a developmental screening, but the early intervention screening is voluntary. The federal law permits child protection workers to release the information needed to make a referral for a developmental screening under Part C of IDEA.

Parents must provide consent for their child to be screened, or to have an evaluation or services offered for their child through Part C of IDEA. Parents have the right to refuse to have their child screened for developmental delays. Refusal to have their child screened is not a basis for a Child in Need of Protection or Services (CHIPS) petition.

Part C requires that a primary referral source contact the local Interagency Early Intervention Committee (IEIC), designated central point of intake, within two working days after identifying that a child is a candidate for a developmental screening.

The central point of intake assigns the child to the most appropriate agency to conduct the screening according to local process and procedures. Once the central point of intake receives a referral, the local team has 45 calendar days to complete the eligibility determination process and hold an initial meeting to plan services for eligible children and their families.

Under Part C, the child's development is screened in the areas of:

- Cognition
- · Physical (including vision and hearing) development
- Communication
- Social/emotional development
- Adaptive development

If the developmental screening identifies concerns, a multidisciplinary team conducts a comprehensive evaluation and determines the child's needs and eligibility for Part C services. If a child is eligible, an Individualized Family Service Plan or Individualized Interagency Intervention Plan is developed by the multidisciplinary team, which includes parents and service providers. Services can include assistive technology, family training, physical therapy, occupational therapy, speech therapy, audiology, health services, nursing, psychological services, special instruction, nutrition, respite care, vision services and transportation.

Some early intervention agencies have formed partnerships with their local public health agencies to facilitate the screening of young children through the Follow Along Program or other public health programs. The Follow Along Program provides periodic ongoing tracking and monitoring of the development of children in the program. This periodic screening enables the parent and screener to monitor changes (improvements or delays) in the child's development over time. Additionally, families are provided with activities to promote normal growth and development. Public health programs vary across the state, so these partnerships will be unique to each area.

- **B.** The 2005 Minnesota Coordination of Early Care and Education Programs law seeks to extend the referral of children ages 3 to 5 years who are in the child welfare system for a developmental screening by the IEIC. If the screening identifies problems, the child would be further evaluated and provided with additional services necessary to improve the child's functioning. The Department of Human Services suggests that parents of children ages 3 to 5 involved in the child welfare system be provided with information about developmental screening so they can refer their own child for a developmental screening, or the child protection worker can help make the connection.
- **C. The Minnesota Children's Mental Health screening statute** requires county boards to arrange or provide a mental health screening for high-risk children in the child welfare and juvenile justice systems ages 3 months through 17 years. The purpose of screening is to identify children and youth in need of further evaluation. Children identified through the screening process are referred to a mental health professional who can determine mental health diagnoses. Diagnostic assessments are then used to develop a treatment plan to address the identified problems. If a child is diagnosed with a mental health disorder, the appropriate mental health services are offered to the child and family. County social workers or juvenile corrections staff are responsible for administering mental health screenings and for referring for diagnostic assessments. Also, the Commissioner of Human Services is required to approve children's mental health screening instruments, which must be valid and reliable for the target populations.

# **COORDINATION WORKPLAN**

The three agencies identified the following areas to further coordinate, resources permitting.

# **Improving Access**

Improve alignment between Child Care Assistance Program (CCAP) and Head Start so that families eligible for both programs have access to services.

Explore including family, friend and neighbor's caregivers in Minnesota's Child and Adult Care Food Program.

Distribute early childhood screening information to new CCAP recipients with children ages 0-4.

Redesign materials for CCAP providers to include kindergarten readiness activities.

Study CCAP rate structure to align with measures of school readiness.

Further identify service coordination between screening programs and improve health and developmental screening standards with particular emphasis on earlier screening and outreach to new American immigrant populations.

Link providers serving families under duress (e.g., domestic violence, homelessness, HIV/AIDS, substance abuse) to early childhood services.

Inform local child protection staff about early childhood screening.

Inform county directors and supervisors, ECSE coordinators, public health agencies, IEIC chairs, children's mental health directors regarding early childhood mental health and Part C eligibility.

# **Professional Development and Training Activities**

Develop and implement training modules for early childhood practitioners on the *Early Childhood Indicators of Progress*. Provide technical assistance to school-based, Head Start, childcare programs. Promote incorporation of standards into higher education teacher preparation programs Develop and implement training for county financial workers, child care assistance workers, and their supervisors to inform staff about the importance of school readiness, available resources and how to refer families to appropriate services. Promote the use of Child Care Resource and Referral agencies so that families are encouraged to choose programs that promote school readiness.

Provide training and technical assistance on revision of Minnesota's Part C eligibility criteria. Develop policies and procedures.

# **Parent Education**

Expand strategies that parents can use to promote kindergarten readiness based on *Early Childhood Indicators of Progress*.

Improve consumer education efforts to include information on all early childhood programs and make efforts to reach parents in underserved communities.

Distribute MDE Parent Tip cards to CCAP recipients, child support offices, fatherhood initiatives and family courts.

# ATTACHMENT A

# 1. <u>Coordinating and Disseminating Resources and Information on School Readiness and Early Care and</u> Education, Health and Nutrition, including Child Mental Health and Family Support

School Readiness Resources and Information	Purpose	Dissemination Point	State Agency/ ies	Coordinating Activity
Minnesota Early Childhood Indicators of Progress: Early Learning Standards (2005) and early learning guidelines for children age 0-3 (forthcoming)	Provides a common set of developmentally appropriate expectations for children.	http://education.state.mn.us/mde/static/0026 28.pdf http://www.dhs.state.Minnesota.us	MDE DHS	Workshops and conferences for early childhood practitioners
Alignment of Minnesota K-12 Kindergarten Academic Standards with the Minnesota Early Childhood Indicators of Progress and the Head Start Child Outcomes Framework	Bridges early learning standards with K-12 academic standards.	http://education.state.mn.us/mde/static/0026 27.pdf	MDE DHS	Workshops and conferences for early childhood practitioners
Early Childhood Services : A directory of services available to children with disabilities in Minnesota	A directory of services available to children with disabilities in Minnesota.	http://www.health.state.mn.us/divs/fh/mcshn /cdtc.htm	MDE MDH DHS	Used by families, health care providers, human services, public health and schools
Early Learning Services Programs Directory	Provides listing of Early Childhood Screening, Head Start, Even Start, Early Childhood Family Education and School Readiness programs throughout Minnesota.	https://app.education.state.Minnesota.us/Ea rlyLearningServices/search.do	MDE DHS MDH	Used by families and other service providers to locate programs that promote school readiness
Child Care Resource and Referral (CCR&R) Network	Provides funding for child care and Head Start program improvement, materials and training. Collaborative programs, such as child care/Head Start partnerships, associations and other locally coordinated collaborative early learning programs, are eligible to apply for improvement grants.	http://www.Minnesotachildcare.org/providers / capacity.php	DHS	Statewide and local partnerships with early childhood activities and programs
Early Learning Services Listing of Workshops and Conferences	Provides information on early childhood care and education workshops, conferences and meetings.	http://education.state.mn.us/mde/Learning_ Support/Early_Learning_Services/Workshop s_Conferences/index.html http://www.Minnesotachildcare.org/providers /capacity.php	MDE DHS MDH	Workshops and conferences

Minnesota Core Competencies for Early Childhood Practitioners	Provides common standards for professional development for early childhood practitioners.	http://www.Minnesotapdcouncil.org/	DHS MDE	Training opportunities
Financial Resources for Professional Development	T.E.A.C.H. (Teacher Education And Compensation Helps) Early Childhood® Minnesota seeks to improve education and compensation for child care providers, while reducing turnover rates.	http://www.Minnesotachildcare.org/providers / financialaid.php	DHS	Scholarships to early childhood practitioners
Individual Interagency Intervention Plan (IIIP) Guidebook	Provides resource for local service providers to develop and implement IIIPs for children and youth with disabilities age birth through 21.	http://education.state.mn.us/mde/Accountab ility Programs/Compliance and Assistance /Special_Education_Monitoring/Monitoring_ Resources/Individual_Interagency_Intervent ion_Plan_(IIIP)/index.html	MDE DHS MDH	Community forums, training and technical assistance, state reports
Your Link Newsletter	Provides information about interagency early childhood intervention efforts.	http://www.yourlink.org	MDE DHS MDH	Used by parents and local early intervention service providers
MDE Program Data Reports	Provides participant data, plans, fact sheets and other data regarding Early Childhood Family Education, School Readiness, Head Start and Early Childhood Screening.	http://education.state.Minnesota.us/mde/Lea rning_Support/Early_Learning_Services/Par ent_Reports/index.html	MDE	Used by local communities to plan and set priorities around school readiness
MnSIC (State Interagency Committee) Materials	Develops and publicizes models and strategies for local coordination of services to children with disabilities.	http://education.state.mn.us/mde/Learning Support/Special_Education/Birth_to_Age_2 1_Programs_Services/MN_State_Interagen cy_Coord_MnSIC/index.html	MDE DHS MDH	Community forums, training and technical assistance, state reports
Minnesota Early Childhood Comprehensive Screening System grant (MECCSS)	Promotes collaborations to support families and communities around early childhood systems improvement.		MDH DHS MDE	Interagency planning
Early Intervention Services (Part C-Infants and Toddlers with Disabilities)       Identifies and provides services. Minimizes need for special education and related services after infants and toddlers with disabilities reach school age.       Interagency Early Intervent (IEIC)		Interagency Early Intervention Committees (IEIC)	MDE DHS MDH	Develop and implement interagency policies and procedures; public awareness, child find, and assure development of individualized family service plans (IFSP).
Part C Data Collection	Provides early childhood special education school district data profiles.	http://education.state.mn.us/mde/Learning Support/Special_Education/Birth_to_Age_2 1 Programs Services/Early Childhood Sp ecial_Education/index.html	MDE MDH DHS	Used by local communities to plan and set priorities

Child Health and Nutrition			State	
Resources and Information	Purpose	Dissemination Points	Agency/ ies	Coordinating Activity
The following are three child health and developmental screening programs which share a history of working together to coordinate screening program activities. (Please see some current examples noted on page 4):	Screening program coordination seeks to eliminate gaps and duplication of services and barriers to service access, and to engage in joint activities to improve program service delivery on multiple levels.	Through screening program coordination, dissemination points are often shared.	DHS MDE MDH	Outreach, screening and referral follow-up activities occur within and across screening programs as appropriate.
Child and Teen Checkups (C&TC)	The C&TC Program is Minnesota's Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) Program. This is a comprehensive preventive health care program for children under 21 years of age who are enrolled in Medical Assistance or MinnesotaCare. C&TC promotes school readiness through periodic health screening to identify problems early for intervention, provides health education promotes healthy lifestyles. Outreach and follow-up contacts include, for example, written, oral, face-to-face contacts with clients/families, promotional materials, C&TC parent checklists, C&TC appointment cards, multi- cultural materials such as translated program brochures, posters, videos/media, calendars, etc. Outreach contacts with families occur at home visits, WIC, Maternal and Child Health Programs, Head Start, health fairs, community events, schools, food shelves, etc.	C&TC Coordinator web site: <u>http://www.dhs.state.mn.us/main/groups/cou</u> <u>nty_access/documents/pubDHS</u> <u>id 000307.hcsp</u> (brochures and other materials, screening periodicity, outreach letter samples, bulletins, etc.) C&TC Provider web site: <u>http://www.dhs.state.mn.us/main/groups/bus</u> <u>iness partners/documents/pub/dhs id 026y</u> <u>001.hcsp</u> (C&TC Provider guide, standards and guidelines, developmental tools, training information, etc.) MDH web site: <u>http://www.helath.state.mn.us</u> (Screening component fact sheets, provider documentation forms, hearing and vision manual, screening tips and clinic self assessment checklist, eye screening procedures, audiometer recommendations and tips, etc.)		Coordination at the local level includes assistance to help children and their families' access screening and any follow-up assessment, diagnostic or treatment services. Examples include locating and choosing providers, making screening and/or follow-up appointments, assisting with arranging transportation or interpreters.
Early Childhood Screening (ECS)	The ECS Program assists parents and communities to improve the educational readiness and health of all young children through the early detection of children's health, development and other factors that may interfere with a child's learning and growth. Participation in health and developmental screening is required for children	http://www.education.state.mn.us/mde/Learn ing_Support/Early_Learning_Services/Early _Childhood_Programs/Early_Childhood_Scr eening/index.html(Early Childhood Screening fact sheets, standards, requirements, forms, manual, links to local		Interagency Screening Team collaboration regarding policies and standards, coordination at the local level to eliminate gaps, reduce duplication and enhance outreach and

Head Start	prior to public school enrollment. Outreach and subsequent follow-up to referrals is coordinated with programs and services such as, special education, the Follow Along Program, Child and Teen Checkups, public health programs, health care providers, Head Start, ECFE, School Readiness, WIC and Adult Basic Education/family literacy. Head Start promotes school readiness by enhancing the social and cognitive development of	program contacts) <u>http://education.state.mn.us/mde/Learning_Support/Early_Learning_Services/Early_Childhood_Programs/Early_childhood_Screening_/ECSBrochures/index.html (Ready, Set, Grow-Early Childhood Screening Parent Brochures in 11 languages)</u>		referral/follow-up strategies.
	children through the provision for health, educational, nutritional, social and other services to low income children and their families based on identified needs through an assessment.	http://www.acf.hhs.gov/programs/hsb/perfor mance/index.htm (Head Start performance Standards)		
<u>Minnesota Quality</u> <u>Indicators/Child Health and</u> <u>Developmental Screening: A</u> <u>Comprehensive Framework to</u> <u>Build and Evaluate</u> <u>Community-Based Screening</u> <u>Systems</u>	Provides screening program standards and quality indicator measures and instruments to evaluate the quality of screening programs. Includes Evaluation Checklist and Family Survey in English, Hmong, Russian, Spanish, Somali, Vietnamese. Assists with program development and evaluation and promotes community partnerships in the screening process (outreach, screening, follow-up).	http://www.education.state.mn.us/mde/static /002305.pdf Meetings, workshops and conferences	MDE DHS MDH	Interagency Screening Team collaboration produced this document and companion tools, and promotes use of it with statewide screening programs. Training and technical assistance for screening programs. Used by communities to plan and evaluate screening programs.
Developmental screening instruments and standards	Interagency web site provides developmental screening standards and instruments for young children and used by all three agencies. Instruments jointly reviewed and evaluated for use by ECS, C&TC, Head Start and the Follow Along program	http://www.health.state.mn.us/divs/fh/mch/m ch-pro3.html (Developmental Screening instruments) Meetings, workshops and conferences	MDE MDH DHS	Interagency Developmental Screening Task Force collaboration and dissemination
Health and Developmental History Interview: A Guide for Minnesota Screening Programs for Young Children	This jointly developed tool assists screening staff obtain a comprehensive health and developmental history	Health and Developmental History Interview Guide <u>http://education.state.mn.us/mde/static/0013</u> <u>29.pdg</u> The Health and Developmental History Interview forms (in English, Hmong, Somali, Vietnamese, Russian and Spanish) <u>http://www.education.state.mn.us/mde/Learn</u> <u>ing_Support/Early_Learning_Services/Early</u> <u>Childhood_Programs/Early_Childhood_Scr</u> <u>eening/ECS - Brochures/index.html</u>	MDE MDH DHS	Interagency Screening Team collaboration

Screening program multi- cultural materials and resources Training resources for screening providers and screening program staff	Provide jointly developed program and outreach materials for diverse populations that are sensitive to culture, language, literacy and family needs. Family/client input is gathered through public forums; focus groups; surveys; interviews; client feedback at time of service; community reviews on translated materials Provide jointly planned and presented trainings for screening program standards for providers and program staff	All outreach contacts include providing the most appropriate materials available. Bi-lingual staff outreach to non-English speaking clients, language interpreters; Language Line; Limited English Proficiency Plan, etc. Training opportunities through meetings, regional workshops, online training modules, videos, training guides, dissemination or standards or guidelines, documentation forms, fact sheets, web site links for service	MDE MDH DHS MDE MDH DHS	Interagency partnerships create and share multi- cultural resources for diverse communities Promote common message across screening programs Interagency Screening Team coordinates training and resources. Joint workshops emphasize
Screening Program Reports To provide data on screening program outcomes and the general health of Minnesota's 0-5 population and to assist the interagency screening team with future planning.		providers and administrators CMS 416 Report (C&TC annual report), The Early Childhood Screening Annual Statewide Reports and School District Aggregated Program Reports PIR-Head Start Program Information Reports	MDE MDH DHS	coordination of services at the local level. Screening program reports inform state and local community partners of screening program outcomes and help direct future planning
Title V Needs Assessment	<ul> <li>Title V Needs Assessment</li> <li>Every five years the Title V program must undertake a comprehensive needs assessment:</li> <li>To identify state MCH priorities for the next five years to arrange programmatic and policy activity around these priorities</li> <li>To develop state performance measures to monitor the success of their efforts</li> </ul>	Public Health agencies and/or other community partners <u>http://www.health.state.Minnesota.us/divs/fh/</u> <u>mch/blockgrant/cy2005/needsassess.rtf</u>	MDH	Used by local communities to plan and set priorities around children's health
Minnesota Children with Special Health Needs Information and Assistance Telephone Line	Offers a comprehensive listing of services provided throughout the state and county health and human services departments, hospitals, associations and public and private agencies.	1-800-728-5420 or 651-215-8956	MDH DHS MDE	Used by parents, health care and other service providers to locate resources
Minnesota Immunization Hotline	Provides information about immunization schedules, contraindications and precautions, administration, vaccine storage and handling and other issues that arise regarding immunizations and vaccine-preventable diseases.	1-800-657-3970 or 651-201-5503	MDH DHS	Used by parents and providers
Follow Along Program	Enhances child development by monitoring children's development over time, providing a list of age appropriate activities and making referrals to early intervention in a timely manner.	http://www.health.state.mn.us/divs/fh/mcshn/ fap.htm	MDH MDE DHS	Used by public health and Head Start agencies

Women, Infants and Children Program	Provides nutrition education and counseling, nutritious food and referrals to community resources such as early intervention, primary care, ECFE, School Readiness, Early Head Start and Head Start.	http://www.health.state.mn.us/divs/fh/wic/ Local public health agencies and other community organizations hold WIC clinics.	MDH MDE	Clinics distribute school readiness information
Family Home Visiting	Supports families in their capacity to care for their children.	http://www.health.state.mn.us/divs/fh/mch/fh v/strategies/bstprct02.html	MDH MDE DHS	Training and technical assistance for local public health, ECFE, Early School Readiness, Head Start, social services home visitors.
Early Hearing Detection	Assure all newborns receive hearing screening by one month of age, diagnosis of hearing loss by three months of age and intervention by six months of age.	Hospitals, physicians, public health, human services, and education agencies <u>http://www.health.state.mn.us/divs/fh/mch/u</u> <u>nhs/index.html</u>	MDH MDE DHS	The EHDI Advisory Committee makes recommendations to MDH. Technical assistance provided by MDH, DHS, MDE.
Who Pays! Taking the MAZE Out of Funding	Provides information on medical funding sources for families.	http://www.health.state.mn.us/divs/fh/mcshn/ pdfdocs/maze0106.pdf	DHS MDE MHS	Used by parents to locate health services and funding

Mental Health and Family Support Resources and Information	Purpose	Dissemination Points	State Agency/ ies	Coordinating Activity	
Children's Mental Health & Family Service Collaboratives	Improve service delivery coordination to meet the individual needs. Use of a wraparound process and multi-plans of care for service delivery.	http://edocs.dhs.state.Minnesota.us/lfserver/l egacy/DHS-4069-ENG	DHS	Regional meetings and annual conference	
Child Welfare Mental Health Screening	Statewide mental health screening is designed to identify mental health problems of children involved in the child welfare system and refer for further evaluation and services. Provide counties with information, resources and technical assistance for implementing screening requirements, including a bulletin, training and funding.	http://www.dhs.state.Minnesota.us/main/gro ups/publications/documents/pub/ dhs_id_017312.pdf	DHS	Children's mental health provides technical assistance to counties	
Mental Health Services covered under Minnesota Health Care Programs (MHCP)	Provide medically necessary mental health services for children who require varying therapeutic and/or rehabilitative levels of intervention. MHCP benefits are available to eligible receipts statewide.	http://www.dhs.state.mn.us/main/groups/bus iness_partners/documents/pub/dhs_id_0512 92.hcsp#policy – (provider manual chapters 1-5, 16)	DHS	Services are coordinated with counties and service providers	
Improve clinical effectiveness in working with young children (0-3)	Enhance the delivery of best clinical practices to improve access and availability by training in diagnosing mental health and developmental disorders in young children under the DC:0-3R.	www.nashp.org www.zerotothree.org	DHS	Training for mental health clinics to learn the DC:0-3R as well as information in advocacy newsletter, teacher/parent manual and annual conference.	
Integration of Primary Care and Mental Health Services	Increases coordination and accessibility of mental health services and primary care through screening, co-location of mental health providers and care coordination.	The Minnesota Integrated Behavioral Healthcare Coalition, the Great Start Minnesota Project, and other integrated care policy and planning initiatives.	DHS MDH	DHS, MDH, and Minnesota Mental Health Action Group (MMHAG)	
Early Identification of Mental Health Needs	Educating Interagency Early Intervention Committees (IEIC) on mental health to ensure assessment processes and help make appropriate referrals.	Early Childhood Special Education Leadership Conferences, training and bulletins.	DHS	MDE, MDH, and local IEIC's	
Child Care Assistance Program (CCAP) Information			DHS MDE	Brochures inform parents of the CCAP and the variety of state funded early care and education programs including Head Start, School Readiness, ECFE and food programs.	
At- Home Infant Care (AHIC)	Provides financial assistance to low income families to care for child up to age 1 at home.	http://edocs.dhs.state.mn.us/lfserver/Leg acy/DHS-4140-eng	DHS	County social service agencies and/or resource and referral agencies.	

Child Care Licensing Information	Provides standards that protect the health, safety, rights and well-being of children in childcare settings.	http://www.dhs.state.Minnesota.us/main/gro ups/business_partners/documents/ pub/DHS_id_028247.hcsp	DHS	Used by parents and providers, county social service agencies, child care resource & referral, public health and Head Start
Information for Parents regarding Child Development	<ul> <li>The Magic and Mystery of Toddlers –Parent brochure describes toddler growth and learning. Includes strategies to support young children's development.</li> <li>The Wonder and Promise of Infants - Parent brochure describes infant growth and learning. Includes strategies to support infant development.</li> <li>Parent Tip Cards for Math and Language available in the following languages: English, Hmong, Russian, Somali, Spanish, Vietnamese.</li> <li>Developmental Wheel has information on child development for ages birth to five, as well as related nutrition, hearing, speech and language, and vision information.</li> </ul>	http://education.state.mn.us/mde/static/0026 23.pdf http://education.state.Minnesota.us/mde/stat ic/002620.pdf http://www.education.state.mn.us/mde/Learn ing_Support/Early_Learning_Services/Paren t_Resources/index.html http://www.health.state.mn.us/divs/fh/mcshn/ wheel.htm	MDE	Used by parents, local early childhood practitioners, public health agencies
Guides for Parents of Children with Disabilities	<ul> <li>Discover the Possibilities – A tool to support local areas in planning and implementing effective family support efforts.</li> <li>Fostering Leadership Among Us – A resource manual on building leadership.</li> <li>Parent to Parent Training Manual.</li> <li>Parents and Professionals: Partners on a Professional Journey – A resource manual on partnerships.</li> <li>Siblings of Children with Disabilities – Resources and support for families.</li> </ul>	http://www.education.state.mn.us/mde/Learn ing Support/Special Education/Birth to Ag e_21_Programs_Services/Early_Childhood Special Education/index.html	MDE MDH	Used by communities and parents to plan for young children with disabilities
Consumer education and parent referrals for early childhood programs and providers	<ul> <li>Parent referrals provide detailed information about early learning programs available by geographic location, including child care and Head State. Parents also receive information about School Readiness and ECFE. Free for all families and available online or by phone. Special outreach referrals are available to families below 250% of poverty.</li> <li>Proposed Quality Rating System provides information about a voluntary system being proposed to improve quality and increase accountability in child care.</li> </ul>	http://www.Minnesotachildcare.org/families	DHS MDH MDE	Used by parents
MinnesotaHelp.Info	The resource database contains information on community services, health care, child care, job training, education, recreation, retirement, disability and social service information.	www.Minnesotahelp.info	DHS	

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# **Family Child Care Licensing Fees**

# Report to the Minnesota Legislature January 2006

Authorized by Minnesota Session Laws 2005, 1st Special Session, Chapter 4, Art. 3, Sec.18

Prepared by the Minnesota Department of Human Services (DHS) Community Partnerships Division in conjunction with DHS Licensing Division, Minnesota Association of County Social Service Administrators (MACSSA) and Minnesota Licensed Family Child Care Association (MLFCCA)

> For more information, contact: Karen Juola Pitts, Child Development Services Minnesota Department of Human Services 444 Lafayette Road North St. Paul, MN 55155-3803 (651) 297-2710 karen.pitts@state.mn.us

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The following is a summary of the costs of preparing this report, as mandated by the laws of 1994:

State staff assistance \$ 1,750 Copying and mailing 100

TOTAL COST \$1,850

# **Introduction and Overview**

This report provides the Minnesota Legislature with recommendations on the feasibility of establishing a statewide standard for setting license and background study fees for licensed family child care providers.

#### Background

Prior to July 1, 2003, county agencies were prohibited from charging fees to applicants and license holders for processing applications and reapplications for licensing of child and adult foster care and family child care. The processing of these applications and reapplications, including background studies and ongoing monitoring of the programs for compliance with statute and rule requirements, is assigned to county agencies in the Human Services Licensing Act. Over the years, county agencies have discussed a desire to charge fees, describing the statutory duty to perform licensing activities as an unfunded mandate. Most of these discussions focused on family child care licensing activities, which, in contrast to foster care, county agencies sometimes view as a business for which a licensing fee would be a reasonable business expense. Although there had been some discussion about allowing a licensing fee, especially for family child care, no legislative authority was granted.

In 2003, counties initiated a statutory amendment that would allow them to charge fees to family child care applicants and license holders. Counties were experiencing state and federal funding cuts and argued that licensing fees were necessary for them to continue to provide this needed service.

Effective July 1, 2003, Minnesota Statutes, section 245A.10, was amended allowing county agencies to charge a fee to recover the actual cost of background studies, not to exceed \$100 annually, for licensed family child care homes. The counties were also allowed to charge similar fees for conducting background studies for legal nonlicensed child care providers. (Attachment A.)

In addition to authorizing fees for background studies, the legislation allowed counties to charge a fee to recover the actual cost of licensing inspections, not to exceed \$150 annually. It also specified that fees could be waived or reduced in cases of financial hardship, for new providers, if a county had a shortage of providers, or if the provider had at least 16 hours of training prior to seeking licensure.

The legislation also stated that counties may allow child care providers to pay the licensing fees on an installment basis for up to one year. In cases where providers receive child care assistance payments, they can request that the licensing fees be deducted from the child care assistance payments for up to one year. The state would reimburse counties for the fees collected in this manner.

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# Family Child Care Licensing

Many of the licensing-related tasks for family child care homes are assigned to county social services agencies under the Human Services Licensing Act (Minnesota Statutes, section 245A.16). County agencies accept and process the applications, complete on-site inspections, monitor programs for compliance, investigate allegations of licensing violations and issue correction orders. They also approve or deny most variance requests. Processing applications involves conducting required background studies in compliance with Minnesota Statutes, Chapter 245C.

In most cases, the licensing process is completed by the county, resulting in a recommendation submitted to the Licensing Division which issues the license. There are some licensing functions that are not assigned by law to the county agencies. For example, following completion of the background study, if a study subject is disqualified and requests reconsideration, most often these reconsideration requests must be forwarded to the Department of Human Services (DHS) for a decision. In addition, county agencies make recommendations to DHS when denial of an application is appropriate, or when they believe a sanction against the license is appropriate. Sanctions can include fines, conditional status, suspensions, revocations and temporary immediate suspensions. County agencies are also required by law to enforce the orders of the commissioner and to represent the commissioner in contested case hearings. The standards for performing licensing functions for the delegated licensing responsibilities are found in Minnesota Rules, parts 9543.0010 to 9543.0150.

In response to the above legislative changes, providers, provider associations and advocate groups raised concerns regarding the ways in which these changes in policy were being implemented by counties statewide. The Minnesota Licensed Family Child Care Association (MLFCCA) developed a summary of policies and practices, including the licensing and background study fees charged; whether the county charged a combined background study/licensing fee; methods of payments allowed; whether a change of premise fee was charged; and whether the county had a policy for waiving and/or reducing the fees and what that policy was.

The above information was analyzed by MLFCCA to identify patterns, resulting in a summary of practices that grouped counties according to the policies they implemented regarding licensing fees. This analysis found that 11 counties charged no licensing fees; three charged no licensing fees but did charge a background study fee; 47 had licensing fees under \$150; 20 charged the maximum fees allowed (\$250); and six counties charged the full amount for licensing, but had a reduced fee for background studies (see Attachment B).

As a result of these concerns, legislation was passed, Minnesota Session Laws 2005, 1st Special Session, Chapter 4, Article 3, section 18 (Attachment C) issuing the Minnesota Department of Human Services the following directive:

Sec. 18. [RECOMMENDATIONS ON STANDARD STATEWIDE CHILD CARE LICENSE FEE; REPORT.]

The commissioner of human services in conjunction with the Minnesota Association of County Social Service Administrators and the Minnesota Licensed Family Child Care Association, shall examine the feasibility of a statewide standard for setting license fees and background study fees for licensed family child care providers, and shall make recommendations on the feasibility of a statewide standard for setting license fees and background study fees in a report to the chairs of the senate and house of representatives committees having jurisdiction over child care issues. The report is due January 15, 2006.

As directed by statute, DHS staff in the Community Partnerships Division worked in conjunction with the Minnesota Association of County Social Service Administrators (MACSSA), MLFCCA and the DHS Licensing Division in preparing this report (Attachment D). The process to gather information and input for this report included Community Partnerships Division staff:

- Reviewing legislative language relevant to this report.
- Speaking with individuals who had participated in the legislative hearings on this issue.
- Initiating contact and working collaboratively with the Licensing Division.
- Initiating contact with and attending MACSSA early childhood and legislative committee meetings.
- Initiating contact and working with MLFCCA regarding a survey of their membership on licensing fees.
- Reviewing summary and analysis of county practices regarding implementation of licensing fees prepared by MLFCCA.
- Planning and facilitating a dialogue about licensing fees between MACSSA, MLFCCA and DHS on November 14, 2005.
- Drafting a report and recommendations based on dialogue and other information-gathering efforts.
- Forwarding the report and recommendations to MACSSA and MLFCCA for review and comment.
- Preparing a final report for submission to legislative committees having jurisdiction over child care issues.

#### **County Perspectives and Issues**

The summary of county perspectives and issues related to family child care licensing fees was gathered through participation in MACSSA early childhood and legislative committee meetings, as well as input from MACSSA representatives at the November 14, 2005 dialogue. These perspectives reflect the varying county characteristics, logistical considerations and overall philosophy regarding family child care. As stated above, county practices ranged from charging the maximum amount allowed under statute for family child care licensing and background studies (20 counties), to charging no fees at all (11 counties). Most counties adopted practices that fell somewhere in between, including those that charged fees at lower rates than allowed by law; those charging a fee for different

licensing time periods (one or two years); those charging a licensing fee but no background study fee; and counties charging different rates for an initial license and a license renewal.

Counties electing to waive and/or reduce licensing fees do so primarily based on the provider's income. Most counties using this process reported that decisions are made on a case-by-case basis. Many counties reported that they do not reduce or waive fees often because they do not have an administrative process/structure to process these requests.

Approaches to family child care licensing fees reflect the various thoughts about the county's role and the work involved in the licensing process, including:

- Lack of understanding outside the county agency about the costs of child care licensing, including the extremely labor-intensive process and the fact that the process is, for the most part, "invisible" to those outside the system.
- Challenges of communicating changes regarding licensing fees to potential providers from English language learner (ELL) and immigrant communities.
- Licensing regulations provide safety for children and protection for child care providers.
- Child care licensing process is the county's single biggest investment in prevention and intervention.

Counties who have chosen not to charge family child care licensing fees have done so for a variety of reasons, including:

- A shortage of child care providers to meet the needs of families in the county.
- A high percentage of low income families and providers in the county.
- A perception that the fees are a deterrent to providers becoming licensed.
- An administrative burden, as collecting the fees would not be equal to the income that would be generated.
- A review of the economic impact of licensing fees on providers serving low income families and their inability to pass on these costs.
- A service providing child care that supports the county's goal of providing children with high quality child care options.

Counties who have chosen to charge fees for family child care licensing have also done so for a variety of reasons, including:

- Maximum fees allowed under statute do not cover actual costs.
- Drop in "optional licenses" (providers who are not currently providing child care but kept up their license in case they decide to go back into the business) results in cost savings of staff time.
- Providers pursuing licensure are more serious about becoming licensed when fees are assessed for the process.
- A review of the economic impact of licensing fees on providers revealed their ability to pass these costs on to the families they serve.
- Providers are small business owners and licensing fees are a reasonable cost of doing business.

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- Opportunity to recoup costs in staff time spent on (albeit relatively few) cases involving negative actions, disqualifications and/or complaint investigations.
- Fees support the services counties offer to providers beyond licensing, such as newsletters, resource libraries, technical assistance and training.

#### Licensed Family Child Care Provider Perspectives and Issues

The summary of provider perspectives and issues related to family child care licensing fees was gathered through a MLFCCA membership questionnaire as well as input from MLFCCA representatives at the November 14, 2005, dialogue. These perspectives and issues reflect individual provider circumstances, geographical locations and county practices.

Only a small core of providers responding to the MLFCCA questionnaire believed that there should be no licensing fees. Some long-term providers expressed dissatisfaction with the licensing fees as they have not experienced any negative actions or investigations. Therefore, their perception of the licensing process is that it requires very little staff time which does not seem to justify the amount charged by the county. In addition, long-term, high quality family child care providers feel that they are increasingly expected to provide school readiness and early literacy supports in their programs (often requiring additional training) at the same time that the costs of doing business (licensing fees) are going up. Some resistance to licensing fees has to do with the significant change for providers transitioning from paying no licensing fee to potentially paying \$250 annually.

The majority of providers consider themselves professionals and expect fees for licensure. They understand that the fees are necessary for the county to maintain the quality of their licensing program. New providers entering the field, in particular, indicated less resistance to licensing fees as they may be coming from professions in which licensing fees are a standard part of doing business.

While accepting that licensing fees are a reasonable cost of doing business, providers have also expressed concerns about the amount of the fees charged, and the inconsistency with which these fees are implemented from county to county.

Concerns about the amount of the family child care licensing fees charged by counties include:

- Appropriateness of licensing fees to income levels of providers, e.g., \$250 a year for low income providers in rural areas does not seem affordable. *Note*: In an effort to correlate fees charged to provider income, MLFCCA is in the process of researching what the median child care reimbursement rates are statewide. Preliminary information suggests that the reimbursement rates decrease moving away from the metro area, and toward the state borders especially in the western and northern parts of the state.
- Lack of funds to pay a licensing fee prior to generating income from their child care business for some new providers.
- Ability of provider to pay the licensing fee is affected by the size of their child care business (number of children and families served), as well as their ability to pass on

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these costs to families. *Note:* MLFCCA has prepared and presented information to providers on how they can incorporate licensing fee costs into registration fees in order to recover costs. However, some providers are not able to pass these costs on to families as the families they serve are very low income.

- A related issue is the inequitable burden that mandated licensing fees have on family child care providers. Currently, child care centers pay a single licensing fee based on licensed capacity; centers are not charged for required background checks. Licensed family child care providers, however, pay both the licensing and background study fees. If a county opts to charge the maximum amount allowed for both licensing and background study fees (\$250), the cost per child is disproportionately higher for family child care providers since they typically care for fewer children than do child care centers. MLFCCA is concerned that the licensing fees and background study fees for family child care, when combined with the lower capacity allowed in family child care, result in a higher per-child expense for family child care than for child care centers. Child care centers are able to pass increased expenses on to more families. Many family child care providers have their own children in care, and so they are able to pass this business expense on to fewer families. Furthermore, this inequity might be regarded as a disincentive for a family child care provider to pursue licensure. MLFCCA recommends that the fee structure be inclusive of background studies, and that the state absorb the background fees for both family child care as well as for child care centers.
- Many providers (like the general population) do not have easy access to that amount of money at one time. In addition, if a provider does not have a checking account but needs to get a cashier's check or money order, it is difficult to find time to do this during normal business hours when they are providing child care.
- The legislative change allowing licensing fees came at a time when providers were experiencing other economic pressures, such as the state freeze on child care reimbursement rates and cuts in child care assistance eligibility, making it difficult for some providers to stay in business. In addition, some providers felt that they were not consulted or included in the process when the legislative change was made to charge licensing fees.

Providers' concerns about consistency from county to county in implementing family child care licensing fees include:

- Providers report confusion over the ways different counties charge for a background study. Some charge the maximum amount every year, and others charge that amount for the two-year licensing period. Some counties charge \$100 regardless of how many individuals over the age of 13 are in the household, and others charge a per-person fee.
- Providers living in adjoining counties may be competing for the same neighborhood business in which one county is charging the maximum fee (\$250) and the other county is charging no fee for licensing.

Overall, providers supported county flexibility, particularly the option for counties to reduce and/or waive the fees.

#### Recommendations

These recommendations are based on input provided by MLFCCA and MACSSA as well as information gathered by the Community Partnerships and Licensing Divisions.

- Maintain current flexibility for counties in setting and implementing family child care licensing and background study fees. This recommendation is based on the significant differences that exist between counties in population density, economic status of residents, local employment conditions, county administrative structures and the relationship between the availability of child care services and specific needs in the county.
- Respond to providers' concerns related to the fees charged and the consistency of implementing these fees by encouraging MACSSA to coordinate an informational communication piece that could be customized by each county and sent to family child care providers that would include:
  - Information about tasks and responsibilities involved in the licensing process to foster greater understanding of what providers are getting for their money (understanding the services and supports to providers, and protection for children). Some counties may choose to include the actual county costs associated with administering this process.
  - A description of the process providers can use to request that licensing fees be reduced and/or waived in applicable counties.
  - A summary of the fees charged for various aspects of the licensing process, including whether the background study fee covers all applicable individuals in the household, or is a per-person fee; whether the fees paid cover a one- or two-year licensing period; whether there is a change of premise fee; and whether the county has a process to reduce or waive fees.
  - A description of options available to providers for payment of licensing fees including, but not limited to, allowing providers to pay for a two-year license in annual installments; accepting credit card payments; allowing providers to pay the applicant fees on an installment basis for up to one year; and allowing providers receiving child care assistance payments from the state to have the fee deducted from their payments for up to one year. Counties would be reimbursed by the state for fees collected in this manner.
  - Information on Child Care Resource & Referral services available in the county, including resources which may assist providers with licensing and background study fees.

### **Future Considerations**

Items for future consideration are based on input from the Licensing Division as a result of information-gathering processes used to prepare this report and related discussions on the issue of family child care licensing fees. Both issues for future consideration would require amending current statute language to clarify the ability of counties to charge an upfront application fee and their authority to charge fees for background studies.

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- 1) Explore the feasibility of amending current statute language to clarify that the license fee to recover the cost of "licensing inspections" can also be an application fee that must be paid prior to processing the application for initial licensure or relicensure.
- 2) Explore the feasibility of amending current statute language to resolve any questions about counties' authority to charge a fee for background studies by adding the clause, <u>not withstanding Minnesota Statutes, section 245C.10, subd. 1</u>, which states: "Subject of background study. No applicant, license holder, or individual who is the subject of a background study shall pay any fees required to conduct the study."

Minnesota Statutes 245A.10, subd. 2, (a) could be amended to reflect these clarifications in the following manner:

 a) For purposes of family and group family child care licensing under this chapter, and not withstanding Minnesota Statutes, section 245C.10, subd. 1, a county agency may charge a fee to an applicant or license holder to recover the actual cost of background studies, but in any case not to exceed \$100 annually. A county agency may also charge a nonrefundable application fee to an applicant or license holder to recover the actual cost of licensing inspections, but in any case not to exceed \$150 annually.

If a county agency chooses to have an application fee, the fee must be paid prior to processing the application for initial licensure or relicensure.

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# ATTACHMENTS

Attachment A: Minnesota Statutes 2004, Chapter 245A.10

245A.10 Fees.

Subdivision 1. Application or license fee required, programs exempt from fee.

(a) Unless exempt under paragraph (b), the commissioner shall charge a fee for evaluation of applications and inspection of programs which are licensed under this chapter.

(b) Except as provided under subdivision 2, no application or license fee shall be charged for child foster care, adult foster care, family and group family child care or state-operated programs, unless the stateoperated program is an intermediate care facility for persons with mental retardation or related conditions (ICF/MR).

Subd. 2. County fees for background studies and licensing inspections in family and group family child care.

(a) For purposes of family and group family child care licensing under this chapter, a county agency may charge a fee to an applicant or license holder to recover the actual cost of background studies, but in any case not to exceed \$100 annually. A county agency may also charge a fee to an applicant or license holder to recover the actual cost of licensing inspections, but in any case not to exceed \$150 annually.

(b) A county agency may charge a fee to a legal nonlicensed child care provider or applicant for authorization to recover the actual cost of background studies completed under section 119B.125, but in any case not to exceed \$100 annually.

(c) Counties may elect to reduce or waive the fees in paragraph (a) or (b):

- (1) in cases of financial hardship;
- (2) if the county has a shortage of providers in the county's area;
- (3) for new providers; or
- (4) for providers who have attained at least 16 hours of training before seeking initial licensure.

(d) Counties may allow providers to pay the applicant fees in paragraph (a) or (b) on an installment basis for up to one year. If the provider is receiving child care assistance payments from the state, the provider may have the fees under paragraph (a) or (b) deducted from the child care assistance payments for up to one year and the state shall reimburse the county for the county fees collected in this manner.

HIST: 1987 c 333 s 11; 1995 c 158 s 4; 2000 c 327 s 6; 1Sp2003 c 14 art 6 s 9

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Summary of Family Child Care Licensing and Background Study Fees

(see next page)

# Attachment C: Minnesota Session Laws 2005, 1<sup>st</sup> Special Session, Chapter 4, Section 18

Sec. 18. [RECOMMENDATIONS ON STANDARD STATEWIDE CHILD CARE LICENSE FEE; REPORT.]

The commissioner of human services in conjunction with the Minnesota Association of County Social Service Administrators and the Minnesota Licensed Family Child Care Association, shall examine the feasibility of a statewide standard for setting license fees and background study fees for licensed family child care providers, and shall make recommendations on the feasibility of a statewide standard for setting license fees and background study fees in a report to the chairs of the senate and house of representatives committees having jurisdiction over child care issues. The report is due January 15, 2006.

Legislative history and Authors

Attachment D: DHS, MACSSA and MLFCCA Representatives

# Family Child Care Licensing Fee Study DHS, MACSSA and MLFCCA Representatives

- Carolyn Carr, Department of Human Services, Child Development Services, carolyn.carr@state.mn.us
- Karen Erickson, Department of Human Services, Licensing Division, karen.w.erickson@state.mn.us
- Deloris Friske, MLFCCA, friske@frontiernet.net
- Jenny Gordon, Ramsey County, jenny.gordon@co.ramsey.mn.us
- Ruth Krueger, Dakota County, ruth.krueger@co.dakota.mn.us
- Peggye Mezile, Ramsey County, peggye.mezile@co.ramsey.mn.us
- Beth Mork, MLFCCA, beth.mork@mlfcca.org or beth.mork@msn.com
- Karen Pitts, Department of Human Services, Child Development Services, karen.pitts@state.mn.us
- Milt Schoen, Hennepin County, milton.schoen@co.hennepin.mn.us
- Michelle Thole, MLFCCA, LTho624@aol.com

lote: An annual license is issued if there are non-compliar		<ul> <li>License unless otherwise indicated. If background checks are penative licensing action in place as two examples.</li> </ul>	aone, the provider	is not charged					1.
ote: An annual license is issued if there are non-compilar	backorour	negative licensing action in place as two examples. Ind check fee, 47 have licensing fees less than \$150 or modifica	tions for new or rene	l awal of license	a. 20 have the maximum fee allowed by the state of	\$250: 6 have full licensing fee of	\$150 with a reduced	ackaroun	l d check
	# of Coun		Initial License Fee	Renewal Fee	Background Check Fee	Counties with One Fee for all	12.934 Providers	acityioun	
o Licensing Fee or Background Check Fee	11	Becker(105) Carlton(75) Cook(8) Grant(22)							
Cliterioing fee of Buenground encourted		Itaska(83),Jackson(47), Kittson(17), Koochiching(28), Ramsey(877), Rock(52), Todd(60)							1
		Ramsev(877), Rock(52), Todd(60)					1374		
· · · · · · · · · · · · · · · · · · ·			1						1
o Licensing Fee but a Background Check Fee	1	Cass(56)		1	\$25/background check up to \$100				1
		Ottertail(152)			\$50/license				1
		Roseau(84)			\$5.00/background check		292		1
						1.			1
ower Initial Licensing Fee Than Renewal Fee	1	Altkin (30)	\$30	\$50	\$50 plus \$10/person up to \$100				1
		Clay(184)	\$50		No fee fori household & 1 sub;Outside County \$15/check				1
	1	Benton(153)	\$75		\$50 for initial; \$100 for renewal				
	1	St. Louis(422)	\$75		\$50 plus \$8/person in Duluth or \$10/person outside city limits				
	1	Chippewa(43)	\$100	\$150	\$50 Background check		832		
ower Renewal Fee Than Initial Licensing Fee		LacQuiParle(22)	\$75	\$50	\$5 per person	· · · ·			
		Blue Earth(182)	\$75	\$50	\$100 for initial; \$75 renewal				
		Freeborn(66)	\$100		\$10/person for background check				<u> </u>
		Pope(30)	\$150		\$15 per person up to \$100 maximum				
		Wadena(35)	\$150		\$30 for provider and \$10 for each additional person				ļ
		Traverse(15)	\$150		\$50 per provider plus \$5/person up to \$100 maximum				
		Renville(53)	\$150		\$50 for provider + \$10/person				
	1 1	Sherburne(300)	\$150	\$100	\$100 Initial; \$50 annual fee		703		
······	ļ	0.77770	Notes						
ame Licensing/Renewal Fees	1	Swift(56)	No fee		No cost unless another county charges				+
		Lake(17)	No fee		\$50 for background				+
	1	Stearns(555)	No fee \$25		No fee for Initial; \$25 1st & \$25 2nd				
		Lake of the Woods(14)	\$25	\$20	\$25 for background \$100 for background				
		Hennepin(1565)	\$50		\$20 per family	· · · ·			
		Mahnomen(16) Polk(97)	\$50		\$15 per person up to \$100 maximum				-
		Cottonwood(35)	\$50		\$50 for background				
		Big Stone(15)	\$75		\$15/study up to \$100 maximum				
		Pennington(55)	\$75		\$25 for background				· · · · · ·
		Pipestone(23)	\$75		\$50 for background	· · · · ·			
· · · · · · · · · · · · · · · · · · ·		Nicollet(96)	\$75		\$100 for initial; \$50 for renewal	-			
· · · · · · · · · · · · · · · · · · ·		Kandiyohi(137) Lincoln(22) Lyon(112) Meeker(54) Murray(21			\$50 for background				
		Yellow Medicine(45)	\$100		\$75 for background				+
		Crow Wing(177)	\$100		\$20/person up to \$100 maximum				
		Watonwan(36)	\$100		\$100 for background		3180		
		Wilkin(32)	\$150		No fee for MN; ND \$40		0100		
		winding 2/		<b>\$700</b>					+ · · · ·
aximum Licensing Fee; Adjusted Background Fee									
axinalit Electioning ( co, ridjusted Daenground ( co	1	Fillmore(73)	\$150	\$150	\$100 for initial, No fee renewal				1
		Morrison(120)	\$150	\$150	\$50 for background				
······································		Rice(174)	\$150		\$25/study up to \$100 maximum	· · · ·			
		Clearwater(22)	\$150		\$50 for background				
		Anoka(792)	\$150		\$65 for background		· · · · · · · · · · · · · · · · · · ·		
		LeSueur(94)	\$150		Billed for Actual cost not to exceed \$100		1275		
······································	·		1						1
	i		1			1			
ne Fee for License and Background Check	1	Norman(33)				\$50 for initial; \$50 renewal	· · · · · · · · · · · · · · · · · · ·		1
		Nobles(63)	1	1		\$50 for initial; \$100 renewal			1
		Stevens(29)	1			\$100 for initial; \$50 renewal			1
						16400 feet 1-18-1. 6400 meneral			T
	1	McLeod(137) Redwood(74)				\$100 for Initial; \$100 renewal			
	1 2 1	McLeod(137) Redwood(74) Douglas(151)				\$135 for initial; \$125 renewal			
	1 2 1 1	McLeod(137) Redwood(74) Douglas(151) Winona(158)				\$135 for initial; \$125 renewal \$150 for initial; \$100 renewal			
	1 2 1 1 3	McLeod(137) Redwood(74) Douglas(151) Winona(158) Goodhue(120) Marshall(30) Red Lake(17)				\$135 for initial; \$125 renewal \$150 for initial; \$100 renewal \$150 for initial; \$150 renewal			
	1 2 1 1 3 3	McLeod(137) Redwood(74) Douglas(151) Winona(158) Goodhue(120) Marshall(30) Red Lake(17) Brown(124)				\$135 for initial; \$125 renewal \$150 for initial; \$100 renewal \$150 for initial; \$150 renewal \$150 for initial; \$250 renewal			
	1 2 1 1 3 3	McLeod(137) Redwood(74) Douglas(151) Winona(158) Goodhue(120) Marshall(30) Red Lake(17)				\$135 for initial; \$125 renewal \$150 for initial; \$100 renewal \$150 for initial; \$150 renewal	1096		
	1 2 1 1 3 1 2	McLeod(137) Redwood(74) Douglas(151) Winona(158) Goodhue(120) Marshall(30) Red Lake(17) Brown(124) Houston(85) Wabasha(75)				\$135 for initial; \$125 renewal \$150 for initial; \$100 renewal \$150 for initial; \$150 renewal \$150 for initial; \$250 renewal \$250 for initial; \$250 renewal	1096		
aximum Licensing Fee and Maximum	1 2 1 1 3 1 2 2 4	McLeod(137) Redwood(74) Douglas(151) Winona(158) Goodhue(120) Marshall(30) Red Lake(17) Brown(124) Houston(85) Wabasha(75) Beltrami(127) Carver(191) Chisago(137) Dakota(944)	\$150	\$150	\$100	\$135 for initial; \$125 renewal \$150 for initial; \$100 renewal \$150 for initial; \$100 renewal \$150 for initial; \$250 renewal \$250 for initial; \$150 renewal	1098		
	1 2 1 1 3 1 2 2 4 4 4	McLeod(137) Redwood(74) Douglas(151) Winona(158) Goodhue(120) Marshall(30) Red Lake(17) Brown(124) Houston(85) Wabasha(75) Beitrami(127) Carver(191) Chisago(137) Dakota(944) Dodge(103) Faribaul(46) Isanti(53) Kanabec(40)	\$150	\$150	\$100	\$135 for initial; \$125 renewal \$150 for initial; \$100 renewal \$150 for initial; \$150 renewal \$150 for initial; \$250 renewal \$250 for initial; \$250 renewal	1098		
	1 2 1 1 3 1 2 2 4 4 4 4 4	McLeod(137) Redwood(74) Douglas(151) Winona(158) Goodhue(120) Marshall(30) Red Lake(17) Brown(124) Houston(85) Wabasha(75) Beitrami(127) Carver(191) Chisago(137) Dakota(944) Dodge(103) Faribault(46) Isanti(53) Kanabec(40) Martin(74) Mille Lacs(59) Pine(57) Sibley(51)	\$150 \$150	\$150 \$150		\$135 for initial; \$125 renewal \$150 for initial; \$100 renewal \$150 for initial; \$150 renewal \$150 for initial; \$250 renewal \$250 for initial; \$250 renewal	1098		
	1 2 1 1 3 1 2 2 4 4 4 4 4	McLeod(137) Redwood(74) Douglas(151) Winona(158) Goodhue(120) Marshall(30) Red Lake(17) Brown(124) Houston(85) Wabasha(75) Beitrami(127) Carver(191) Chisago(137) Dakota(944) Dodge(103) Faribault(46) Isanti(53) Kanabec(40) Martin(74) Mille Lacs(59) Pine(57) Sibley(51)	\$150	\$150	\$100	\$135 for initial; \$125 renewal \$150 for initial; \$100 renewal \$150 for initial; \$150 renewal \$150 for initial; \$250 renewal \$250 for initial; \$250 renewal	1098		
aximum Licensing Fee and Maximum ackground Check Fee	1 2 1 1 3 1 2 2 4 4 4 4 4 4 4 4 4	McLeod(137)         Redwood(74)           Douglas(151)         Winone(158)           Goodhue(120)         Marshall(30)         Red Lake(17)           Brown(124)         Houston(85)         Wabasha(75)           Beitrami(127)         Carver(191)         Chisago(137)         Dakota(944)           Dodge(103)         Faribault(46)         Isanti(53)         Kanabec(40)           Martin(74)         Mille         Lacs(58)         Pine(57)         Sibely(51)           Steele(167)         Waseca(83)         Washington(521)         Wright(409)	\$150 \$150 \$150	\$150 \$150 \$150	\$100 \$100	\$135 for initial; \$125 renewal \$150 for initial; \$100 renewal \$150 for initial; \$150 renewal \$150 for initial; \$250 renewal \$250 for initial; \$250 renewal	1096		
	1 2 1 1 3 1 2 2 4 4 4 4 4 4 4 2	McLeod(137) Redwood(74) Douglas(151) Winona(158) Goodhue(120) Marshall(30) Red Lake(17) Brown(124) Houston(85) Wabasha(75) Beitrami(127) Carver(191) Chisago(137) Dakota(944) Dodge(103) Faribault(46) Isanti(53) Kanabec(40) Martin(74) Mille Lacs(59) Pine(57) Sibley(51)	\$150 \$150 \$150 \$150 \$150	\$150 \$150 \$150 \$150 charge	\$100 \$100 \$100 charged yearly	\$135 for initial; \$125 renewal \$150 for initial; \$100 renewal \$150 for initial; \$100 renewal \$150 for initial; \$250 renewal \$250 for initial; \$150 renewal \$250 for initial; \$150 renewal	1098		
	1 2 1 1 3 1 1 2 2 4 4 4 4 4 4 2 2 1	McLeod(137) Redwood(74) Douglas(151) Winona(158) Goodhue(120) Marshall(30) Red Lake(17) Brown(124) Houston(85) Wabasha(75) Beltrami(127) Carver(191) Chisago(137) Dakota(944) Dodge(103) Faribault(48) Isanti(53) Kanabec(40) Martin(74) Mille Lace(58) Pine(57) Sibley(51) Steele(187) Waseca(83) Washington(521) Wright(409) Hubbard(80) Mower(143)	\$150 \$150 \$150	\$150 \$150 \$150 \$150 charge	\$100 \$100	\$135 for initial; \$125 renewal \$150 for initial; \$100 renewal \$150 for initial; \$100 renewal \$150 for initial; \$250 renewal \$250 for initial; \$150 renewal \$250 for initial; \$150 renewal	1098		

Attachment B (2005 Family Child Care Licensing Fee Summary): 1

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County	Licensing Fee	Background Check Fee	Combination Licensing and B/G Check Fee	Method/Schedule Not Updated 4-05	Change of Premise Fee	Waive/Reduce	# Licensed Providers
Aitkin	\$30 for an initial license \$50 for renewal 2-Yr. \$50 for annual license	<ul> <li>\$50 plus \$10 per person for initial license with a cap of \$100.</li> <li>\$50 plus \$10 per person for renewal or annual license with a cap of \$100</li> </ul>			No change of premise fee.		30
Anoka	\$150 for initial license \$150 for renewal 2-Yr. (off year program review no fee) \$150 annual license	\$65 for initial license \$65 for renewal 2-Yr. \$65 for annual license		\$65 with initial application, \$150 before initial visit; full \$215 due with renewal paperwork	\$150 for relocation inspection in non-renewal year. No charge in licensing year	May request a fee reduction if their income is at or below 125% of the federal poverty level	792
Becker	No fees	No fees					105
Beltrami	\$150 for initial license \$150 for renewal 2-Yr. \$150 for annual license	\$100 for initial license \$100 for renewal 2-Yr. \$100 for annual license			No change of premise fee.		127
Benton	\$75 for initial license \$150 for renewal 2-Yr. \$75 for annual license	\$50 for initial license \$100 for renewal 2-Yr. \$50 for annual license			No charge if in licensing year. \$150 in non- licensed year.		153
Big Stone	\$75 for initial license \$75 for renewal 2-Yr. \$75 for annual license	\$15 per person for background checks at initial/renewal/annual (\$100 max per household)			No fee for change of premise		15
Blue Earth	\$75 for initial license \$50 for renewal with providers paying every year.	\$100 for initial license \$75 for renewal payable every year.		Check/money order due with application or annual paperwork	No change of premise fee.	Case-by-case	182

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County	Licensing Fee	Background Check Fee	Combination Licensing and B/G Check Fee	Method/Schedule Not Updated 4-05	Change of Premise Fee	Waive/Reduce	# Licensed Providers
Brown			\$150 for initial license \$250 for renewal 2-Yr.		No change of premise fee.		124
Carlton	No fees	No fees					75
Carver		\$100 for initial license \$100 for next 1-year license \$100 for renewal 2-Yr. \$100 for annual license		Check/money order, \$100 due with application, \$150 due at final visit to license		No	191
Cass	No license fee	\$25 for each adult for initial license, renewal, and annual license up to a maximum of \$100					56
Chippewa	\$100 for initial license \$150 for renewal 2-Yr. \$150 for annual license	\$50 for initial license \$50 for renewal 2-Yr. \$50 for annual license		Initial fees due prior to licensing visit; renewal fees due within 30 days of visit	No change of premise fee.		43
Chisago	\$150 for renewal 2-Yr.	\$100 for initial license \$100 for renewal 2-Yr. \$100 for annual license		Check/money order due with application, relicensing packet. Cash accepted at main office.	No change of premise fee.	Case-by-case through waiver committee	137

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			Combination				
		Background	Licensing and B/G	Method/Schedule	Change of		# Licensed
County	Licensing Fee	Check Fee	Check Fee	Not Updated 4-05	Premise Fee	Waive/Reduce	Providers
Clay	\$50 for initial license \$100 for renewal 2-Yr. \$100 for annual license	All household members & one substitute at initial licensing. Add \$15 for those outside the county. All household members & one substitute for renewal. Add \$15 for background checks outside the county. All household members & one substitute for one year license. Add \$15 for background checks outside the county.			No change of premise fee.		184
Clearwater	<ul><li>\$150 for initial license</li><li>\$150 for renewal 2-Yr.</li><li>\$150 for annual license</li></ul>	\$50 for initial license \$50 for renewal 2-Yr. \$50 for annual license			\$50 for a change of premise.		22
Cook	No fees	No fees	·····		<u> </u>		8
Cottonwood	\$50 for initial license \$50 for renewal 2-Yr. \$50 for annual license	\$50 for initial license \$50 for renewal 2-Yr. \$50 for annual license			\$50 for a change of premise.	<b>.</b>	35
Crow Wing	\$100 for initial license \$100 for renewal 2-Yr. \$100 for annual license	\$20 per person for initial license not to exceed \$100 \$20 per person for renewals and annual license, not to exceed \$100		· .	\$100 for a change of premise.	2	177
Dakota	\$150 for initial license \$150 for renewal 2-Yr. \$150 annual license	\$100 for initial license \$100 for renewal 2-Yr. \$100 for annual license		Check/money order due with application, relicensing packet.		Waive if income is below federal poverty level.	944

Attachment B (Family Child Care Licensing Fees 2005): page 3

County	Licensing Fee	Background Check Fee	Combination Licensing and B/G Check Fee	Method/Schedule Not Updated 4-05	Change of Premise Fee	Waive/Reduce	# Licensed Providers
Dodge	\$150 for initial license \$150 for renewal 2-Yr. \$150 for annual license	\$100 for initial license \$100 for renewal 2-Yr. \$100 for annual license					103
Douglas			\$135 for initial license \$125 for renewal 2-Yr. \$125 for annual license	\$50 due with initial application & \$85 at first home visit.	\$25 change of premise fee.	· · · · · · · · · · · · · · · · · · ·	151
Faribault	\$150 for initial license \$150 for renewal 2-Yr.	\$100 for initial license \$100 for renewal 2-Yr.			\$150 fee for change of premise.		46
Fillmore	\$150 for initial license \$150 for renewal 2-Yr. \$150 for annual license	\$100 for initial license No fee for renewal or annual license			No fee for change of premise.		73
Freeborn	\$100 for initial license \$65 for renewal 2-Yr. \$65 for annual license	\$10 per person for initial \$10 per person for 2- Yr. renewal or annual license			No change of premise fee.		66
Goodhue			\$150 for initial license \$150 for renewal 2-Yr. \$150 for annual license		\$50 change of premise fee.		120
Grant	No fees	No fees	••••••••••••••••••••••••••••••••••••••	······································			22
Hennepin	\$30 initial license \$30 for 1 year license \$30 for renewal 2-Yr. \$30 for annual license	\$100 for initial license \$100 for renewal 2-Yr. \$100 for annual license			\$30 change of premise fee.		1565
Houston			\$250 for initial license which includes all background checks \$150 for renewal 2-Yr. \$150 for annual license		No change of premise fee.		85

. Attachment B (Family Child Care Licensing Fees 2005): page 4

Updated 5-13-05

County	Licensing Fee	Background Check Fee	Combination Licensing and B/G Check Fee	Method/Schedule Not Updated 4-05	Change of Premise Fee	Waive/Reduce	# Licensed Providers
Hubbard			\$250 for initial license \$250 for renewal 2-Yr.		No change of premise fee.		60
Isanti	\$150 for initial license \$150 for renewal 2-Yr. \$150 for annual license	\$100 for initial license \$100 for renewal 2-Yr. \$100 for annual license		Cashier's check/money order due with application.	No change of premise fee.	No	53
Itasca	No fees	No fees		······································			83
Jackson	No fees	No fees				• • • • • • • • • • • • • • • • • • •	47
Kanabec	\$150 for initial license \$150 for renewal 2-Yr. \$150 for annual license	\$100 for initial license \$100 for renewal 2-Yr. \$100 for annual license					40
	\$100 for initial license \$100 for renewal 2-Yr. \$100 for annual license	\$50 for initial license \$50 for renewal 2-Yr. \$50 for annual license	· · ·				137
Kittson	No fees	No fees				· · · ·	17
	No fees	No fees				· ·	28
	\$75 for initial license \$50 for renewal 2-Yr. \$50 for annual license	\$5 per person for background checks at initial/renewal/annual			\$50 for a new home in a non- renewal year.		22
Lake	No fee for initial license \$100 for renewal 2-Yr. \$100 for annual license	\$50 for initial license \$50 for renewal 2-Yr. \$50 for annual license			No change of premise fee.		17
Lake of the Woods	\$25 for initial license \$25 for renewal 2-Yr. \$25 for annual license	\$25 for initial license \$25 for renewal 2-Yr. \$25 for annual license		Cashier's check/ money order due with application or off-year background releases	No change of premise fee.	No	14

County	Licensing Fee	Background Check Fee	Combination Licensing and B/G Check Fee	Method/Schedule Not Updated 4-05	Change of Premise Fee	Waive/Reduce	# Licensed Providers
LeSeuer	\$150 for initial license \$150 for renewal 2-Yr. \$150 for annual license	Actual cost of background checks are billed (\$40-50 if local) not to exceed \$100 for initial license, 2 year renewal, and 1 year renewed licenses		Invoice/payment plan. Pay after licensing.		For low income	94
Lincoln	\$100 for initial license \$100 for renewal 2-Yr. \$100 for annual license	\$50 for initial license \$50 for renewal 2-Yr. \$50 for annual license	· · · · · · · · · · · · · · · · · · ·	Pay upfront		Case-by-case for hardship	22
Lyon	\$100 for initial license \$100 for renewal 2-Yr. \$100 for annual license	\$50 for initial license \$50 for renewal 2-Yr. \$50 for annual license		Pay upfront		Case-by-case for hardship	112
Mahnomen	\$50 for initial license \$50 for renewal- 2-Yr. \$50 for annual license	\$20 for initial license per family \$20 for renewal/annual license per family			No change of premise fee.		16
Marshall			\$150 for initial license \$150 for renewal 2-Yr. \$150 for annual license	Cashier check/money order due with application; at or before renewal home visit	No change of premise fee.	Νο	30
Martin	\$150 for initial license \$150 for renewal 2-Yr.	\$100 for initial license \$100 for renewal 2-Yr.			\$150 fee for change of premise.		74
McLeod			\$100 for initial license \$100 for renewal 2-Yr. \$100 for annual license				137

County Meeker	Licensing Fee \$100 for initial license \$100 for renewal 2-Yr. \$100 for annual license	Background Check Fee \$50 for initial license \$50 for renewal 2-Yr. \$50 for annual license	Combination Licensing and B/G Check Fee	Method/Schedule Not Updated 4-05	Change of Premise Fee \$100 change of premise fee.	Waive/Reduce	# Licensed Providers 54
Mille Lacs	\$150 for initial license \$150 for renewal 2-Yr \$150 for annual license	\$100 for initial license \$100 for renewal 2-Yr. \$100 for annual license		\$100 due with application, \$150 due before visit.	Off year-\$150 charge plus background checks.	Waived for public assistance recipients.	58
Morrison	\$150 for initial license \$150 for renewal 2-Yr \$150 for annual license	\$50 for initial license \$50 for renewal 2-Yr. \$50 for annual license \$15 each for any new checks during effective period of license			Off year of a two year license, \$150. If within 6 months of paying for or going to pay for initial, 1-Yr or first year of two year license-no fee.		120
Mower	· · · · · · · · · · · · · · · · · · ·		\$250 for initial license \$250 for renewal 2-Yr.				143
Murray	\$100 for initial license \$100 for renewal 2-Yr. \$100 for annual license	\$50 for initial license \$50 for renewal 2-Yr. \$50 for annual license		Pay upfront.		Case-by-case for hardship.	21
Nicollet	\$75 for initial license \$75 for renewal 2-Yr. \$75 for annual license	\$100 for initial license \$50 for renewal 2-Yr. \$50 for annual license			No change of premise fee.		96
Nobles			\$50 for initial license \$100 for renewal 2-Yr. \$50 for annual license		No change of premise fee.		63

			Combination				
		Background	Licensing and B/G	Method/Schedule	Change of		# Licensed
County	Licensing Fee	Check Fee	Check Fee	Not Updated 4-05	Premise Fee	Waive/Reduce	Providers
Norman			\$50 for initial license \$50 for renewal 2-Yr. \$50 for annual license		\$50 change of premise fee.		33
Olmsted	\$150 for initial license \$150 for annual license renewal The fee is an annual fee and licensing is done yearly rather than a 2- year basis.	\$100 for initial license \$100 for annual license renewal. The fee is an annual fee with background checks done yearly to correspond to the license renewal year.		Check/money order.		No	500
Otter Tail	No fees	\$50 per license for background check in the initial licensing year,renewal or annual license. \$25 per study in non- licensing year (not to exceed \$50 total for that year).			No change of premise fee.	No	152
Pennington	\$75 for initial license \$75 for renewal 2-Yr.	\$25 for initial license \$25 for renewal 2-Yr.			\$75 change of premise fee.		55
Pine	\$150 for initial license \$150 for renewal 2-Yr. \$150 for annual license	\$100 for initial license \$100 for renewal 2-Yr. \$100 for annual license		Check/money order due with application.	License fee applies if older than 6 months on a current license.	No	57
Pipestone	\$75 for initial license \$75 for renewal 2-Yr. \$75 for annual license	\$50 for initial license \$50 for renewal 2-Yr. \$50 for annual license					23

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County	Licensing Fee	Background Check Fee	Combination Licensing and B/G Check Fee	Method/Schedule Not Updated 4-05	Change of Premise Fee	Waive/Reduce	# Licensed Providers
Polk	\$50 for initial license \$50 for renewal 2-Yr. \$50 for annual license	\$15 per person for background checks at initial/renewal/annual (\$100 max per household)			\$40 change of premise fee.		97
Pope	\$150 for initial license \$75 for renewal 2-Yr. \$75 for annual license	\$15 per background check up to a maximum of \$100			No change of premise fee.		30
Ramsey	No fees	No fees					877
Red Lake			\$150 for initial license \$150 for renewal 2-Yr. \$150 for annual license		No change of premise fee.		17
Redwood	· · · · · · · · · · · · · · · · · · ·	· · · · · · · · · · · · · · · · · · ·	\$100 for initial license \$100 for renewal 2-Yr. \$100 for annual license		No change of premise fee.		74
Renville	\$150 for initial license \$100 for renewal 2-Yr. \$100 for annual license	\$50 for applicant and \$10 for all others for initial license, 2-Yr. renewal and annual license			\$150 change of premise fee.		53
Rice	\$150 for initial license \$150 for renewal 2-Yr. \$150 for annual license	\$25 per background check up to \$100 for initial license, renewal and annual license		Invoice/payment plan. Pay after licensing.	No change of premise fee.	No	. 174
Rock	No fees	No fees					52
Roseau	No fee	\$5.00 per person background check					84

49.		Background	Combination Licensing and B/G	Method/Schedule	Change of		# Licensed
Scott	Licensing Fee \$150 for initial license \$150 for renewal 2-Yr. \$150 for annual license	Check Fee \$100 for initial license \$100 for renewal 2-Yr. \$100 on non-licensing year. \$100 for annual license	Check Fee	Not Updated 4-05 Cashier's check/money order due with application and annual paperwork.	Premise Fee	Waive/Reduce	Providers 418
Sherburne	\$150 for initial license \$100 for renewal 2-Yr. \$100 for annual license	\$100 for background check for initial license \$50 for renewal each year thereafter		Check/money order for \$100 due with initial application, the \$150 due before the initial inspection; check/money order for \$200 due with application to renew.	· · ·	Waived if on MFIP/food support; inspection fee for established providers \$50 the first time only.	300
Sibley	\$150 for initial license \$150 for renewal 2-Yr.	\$100 for intial license \$100 for renewal 2-Yr.	92° 1930 ( NATABA BA 1983 - 1987 - 1987 - 1987 - 1987 - 1987 - 1987 - 1987 - 1987 - 1987 - 1987 - 1987 - 1987 -		No change of premise fee.		51
St. Louis	\$75 for initial license \$150 for renewal 2-Yr. \$150 for annual license	\$50 + \$8.00 per background check in the city of Duluth with cap at \$100; \$10 per person outside the city limits with cap at \$100; Fee applies to initial, renewal, & annual licenses			No premise change fee.		422
Stearns	No fee for initial license \$125 for renewal 2-Yr. \$125 for annual license	No fee for initial license \$25 for first background check, \$25 for second. Maximum of \$50 for renewal of either 2-Yr. or 1-Yr. license					555

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