

INFORMATION BRIEF

Research Department

Minnesota House of Representatives

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Early Learning Programs

Minnesota has a variety of programs and funding streams that support early learning programs for children and their families. This information brief provides a table comparing the funding and child participation numbers in each of the various early learning programs, summarizes each program, and provides links to more detailed program descriptions. The programs included in this document include early learning scholarships, voluntary prekindergarten programs, school readiness and school readiness plus programs, Head Start, ECFE, home visiting programs, child care assistance programs, and state and federal dependent care income tax credits and deductions.

Early Learning Scholarship Program

Minnesota children age 4 and younger from low-income families may qualify for an early learning scholarship. The maximum annual scholarship amount is \$7,500 per child and may be used at an eligible site. There are two types of scholarships: (1) Pathway I scholarships are awarded directly to eligible families and account for about 40 percent of the program; and (2) Pathway II scholarships are awarded to qualifying four-star rated programs on behalf of qualifying children and account for the remaining 60 percent of the program's funding. *See the House Research Report "[Minnesota School Finance Guide](#)" for more information.*

Voluntary Prekindergarten (VPK) Program

Minnesota's school districts and charter schools may operate a voluntary prekindergarten (VPK) program. The program must provide at least 350 hours of annual service to four-year-old children. The VPK program divides the state into four regions and within each region, each

school site is prioritized based on its percent of free and reduced-price lunch eligible kindergarten students at that site. *See the House Research Report “[Minnesota School Finance Guide](#)” for more information.*

School Readiness Plus

School readiness plus is a hybrid funding program available only for fiscal years 2018 and 2019, providing early education services to four- and five-year-old children not yet enrolled in kindergarten. A school site qualifies for funding in the same manner as under the VPK program. A school receiving school readiness plus funds may choose to use the money either for a VPK program or for a school readiness program. *See the House Research Report “[Minnesota School Finance Guide](#)” for more information.*

School Readiness

A school district or group of school districts may establish a school readiness program enabling children to enter school with the necessary skills and behavior to succeed. A child may participate in a school readiness program if the child is at least three years old. Districts may establish a sliding fee for school readiness programs, although fees must be waived for participants who are unable to pay. *See the House Research Report “[Minnesota School Finance Guide](#)” for more information.*

Head Start

Head Start programs provide comprehensive family-oriented services that improve school readiness and the social competence of children from low-income families. Head Start funds flow to 35 community organizations that have been designated as Minnesota’s Head Start grantees. In Minnesota, the most common type of grantee is a community action program. *See the House Research Report “[Minnesota School Finance Guide](#)” for more information.*

Early Childhood Family Education (ECFE)

School districts operate early childhood family education programs (ECFE) for children from birth to kindergarten, for their parents, and for expectant parents. ECFE programs include parent education to promote children’s learning and development. All ECFE programming must require substantial parental involvement. *See the House Research Report “[Minnesota School Finance Guide](#)” for more information.*

Parent-Child Home Program

The parent-child home program is an evidence-based early literacy parent-child home visiting program operated by Jewish Community Services. Parent-child home programs are designed to have instructors (called home visitors) visit families with young children to give parents added skills and tools to teach and interact with their children, building literacy skills for school readiness. The parent-child home program provides services in Minneapolis, west Hennepin County, and Itasca County, and is supported with state funding, foundation funding, and by individual donations.

Minnesota Department of Health (MDH) Home Visiting Program

Home visiting programs use visits by professionals or trained personnel to support pregnant women and parents and connect them with appropriate medical and social services, promote child health and school readiness, and prevent child abuse, neglect, and juvenile delinquency. When providing home visiting services, community health boards and tribal governments may implement a home visiting service model based on the needs of their specific communities and the outcomes sought. Six home visiting models are used in Minnesota: Early Head Start, Family Connects, Family Spirit, Healthy Families America, Nurse-Family Partnership (NFP), and Parents as Teachers. These models vary in the populations they target, the length and intensity of the programs, program goals, services provided, and the staff who provide services. *See the House Research Information Brief “Minnesota Department of Health Home Visiting Programs” (forthcoming) for more information.*

Child Care Assistance Programs (CCAP)

Child care assistance programs subsidize the child care expenses of eligible low-income families. The Minnesota Department of Human Services administers two child care assistance programs: Minnesota Family Investment Program (MFIP) child care assistance and Basic Sliding Fee (BSF) child care assistance. MFIP child care subsidizes the child care costs of families receiving cash assistance through MFIP and provides child care assistance for eligible families for the first 12 months after the family leaves MFIP cash assistance (transition year child care). BSF child care provides a child care subsidy to low-income working families who are not receiving cash assistance from MFIP. *See the House Research Short Subject “Child Care Assistance” for more information.*

Dependent Care Credit

The Minnesota and federal dependent care income tax credits partially offset the cost of child care for certain workers. The maximum Minnesota and federal credit is \$1,050 for one child and \$2,100 for two or more children. The credit is fully refundable. A taxpayer who incurs expenses related to the care of a dependent age 13 and under may be eligible to claim the credits. *See the House Research Information Brief “The Minnesota and Federal Dependent Care Tax Credits: An Overview” for more information.*

For more detailed program information contact:

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- Sean Williams (sean.williams@house.mn) for income tax deductions and credit; and
- Tim Strom (tim.strom@house.mn) or Cristina Parra (cristina.parra@house.mn) for all remaining questions.

Comparison of Early Learning and Care Programs

	Financing (\$)				Program Enrollment (Children Only)	Participation/ Enrollment by Age			Eligibility		Waiting List/ Populations Served
	FY19	FY18	FY 17	FY 16		0-2	> 2	Adults	Income Limit?	Sliding Fee?	
Early Learning Scholarships	\$70,209,000	\$70,209,000	\$59,884,000	\$44,134,000	12,100	603	5,742	-0-	185% Federal Poverty Guidelines	No	Estimates are that scholarships reach 20% of eligible population
Voluntary Pre-Kindergarten (VPK)	23,408,000	22,028,000	25,000,000	0	3,160	-0-	3,160	-0-	No ¹	No	5,000 children in schools that applied but were not funded due to statewide funding limitations
School Readiness Plus	29,407,000	21,429,000	0	0	4,000		4,000		No	No	School Readiness Plus may be used for VPK or School Readiness ²
School Readiness	33,683,000	33,683,000	32,670,000	22,420,000	28,700	-0-	29,000	23,000	No ³	Yes	Unknown
Head Start (State)	25,100,000	25,100,000	25,100,000	25,100,000	2,267	2,267	12,147	17,574 families	Yes, at least 90% low-income	No	Waiting list of 4,944 children as of fall 2017
Head Start (Federal)	NA	113,498,000	105,425,000	104,563,000	9,880						
ECFE	54,112,000	52,520,000	52,074,000	50,559,000	112,798	12147		120,312	No	Yes	Some programs have a waiting list, but most districts serve all
ECFE Home Visiting	1,082,000	1,015,000	567,000	568,000	9,410			13,819			Designed to reach isolated or at-risk families

¹ School sites for VPK and School Readiness Plus were chosen with priority given to those school sites serving the highest percent of low-income children, but children are eligible regardless of family income.

² Of the 4,000 seats funded through School Readiness Plus, schools chose to provide 3,403 VPK seats and 597 school readiness seats.

³ School Readiness students may qualify on factors other than family income, but the large majority are from low-income homes.

	Financing (\$)				Program Enrollment (Children Only)	Participation/ Enrollment by Age			Eligibility		Waiting List/ Populations Served
	FY19	FY18	FY 17	FY 16		0-2	> 2	Adults	Income Limit?	Sliding Fee?	
Parent – Child Home Program	900,000	900,000	2,350,000	350,000	130 families						Provides services in Minneapolis, west Hennepin County, and Itasca County
MDH Home Visiting Program (State Grants)	2,000,000 NFP 5,580,000 evidence-based	2,000,000 NFP 5,580,000 evidence-based	2,000,000	575,000	21,344 clients served in state fiscal year 2016 ⁴	10,367 infants and children served in state fiscal year 2016	10,977 prenatal clients and caregivers served in state fiscal year 2016 ⁵	TANF funds serve families at or below 200% FPG ⁶	No	No statewide waiting lists, but some local jurisdictions may maintain waiting lists	
MDH Home Visiting Program (Federal)	8,557,000 TANF 63,000 TANF Teen Parent Pilot ⁷ 8,652,000 MIECHV ⁸	8,557,000 TANF 63,000 TANF Teen Parent Pilot	8,557,000 TANF 63,000 TANF Teen Parent Pilot	8,557,000 TANF 63,000 TANF Teen Parent Pilot 10,059,000 MIECHV							

⁴ Includes prenatal clients, caregivers, and children; does not include clients served by tribal home visiting programs or clients who declined to share data with MDH; may include clients served with non-MDH grants.

⁵ Some clients and caregivers may be under age 18.

⁶ Other programs target a range of populations including low-income populations.

⁷ TANF Teen Parent Pilot funded through an interagency agreement with the Department of Human Services.

⁸ The Maternal, Infant, and Early Childhood Home Visiting (MIECHV) program is a federal program to support home visiting in states and territories. Federal MIECHV funds are administered by MDH.

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	FY19	FY18	FY 17	FY 16		0-2	> 2	Adults	Income Limit?	Sliding Fee?	
CCAP^{9, 10}	286,400,995	294,311,480	260,348,083	251,046,283	16,288 monthly average families (projected for FY 18)				47% SMI at program entry and 67% SMI at program exit	Yes	MFIP/TY child care assistance is a forecasted, fully-funded program. Basic Sliding Fee (BSF) is a capped allocation with a waiting list of 1,907 families as of August 31, 2018
Dependent Care Credit (State)¹¹	28,400,000 tax year 2018	27,900,000 tax year 2017	13,100,000 tax year 2016	12,774,000 tax year 2015		Claimants			Phased out for incomes over \$50,990 for tax year 2018		
						30,693 families in tax year 2015					
Dependent Care Credit (Federal)¹²	NA	NA	78,060,000 tax year 2016	76,082,000 tax year 2015		Claimants			No income limit		
						154,410 families in tax year 2016					

⁹ CCAP numbers for FY18-19 are projections from the February 2018 forecast.

¹⁰ State and federal sources combined.

¹¹ State dependent care tax years 2016, 2017, and 2018 amounts from HITS version 66a.

¹² Federal dependent care credit maximum of \$1,050 for one child and \$2,100 for 2 or more children.