



Date: December 30, 2021

To: Senator Jim Abeler, Chair, and members of the Senate Human Services Reform, Finance and Policy Committee

Representative Dave Pinto, Chair, and members of the Early Childhood Finance and Policy Committee

From: Cindi Yang, Director, Child Care Services Division, Department of Human Services

RE: Number of grants awarded to REETAIN recipients

During the 2021 special session, the Minnesota Legislature and Governor Walz enacted [Laws of MN 2021, 1st Special Session, Chapter 7](#). Article 14, Section 3 and Section 23(f) of this law provided authorizing language for the Retaining Early Educators Through Incentives Now (REETAIN) Grant Program, and allocated American Rescue Plan Act (ARPA) funds for this program.

It also directed the Minnesota Department of Human Services (DHS) to report to the legislative committees with jurisdiction over child care about the number of grants awarded to recipients and outcomes of the grant program since the last report.

DHS administers this program through a grant contract with Child Care Aware of Minnesota, providing funding for both grants to recipients and to administer the program. Below are amounts awarded, funding sources, and number of grants awarded to REETAIN recipients in fiscal year 2021, and the number of grants projected for fiscal year 2022.

Fiscal year	Funding source and amounts*	Number of recipients
2021 (July 1, 2020 – June 30, 2021)	\$767,956 in CCDF funds	264
2022 (July 1, 2021 – June 30, 2022)	\$718,956 in CCDF funds \$495,000 in ARPA funds** Total: \$1,213,856	Projected: 435

*The funding amounts reported include both administrative costs and REETAIN bonuses.

**The remaining ARPA funds allocated for REETAIN will be spent in future fiscal years.

This is the first report after this legislation passed. Therefore, the department does not currently have outcomes to share for this program. Outcomes will be provided to the legislative committees with jurisdiction over child care next year.

Statute Reference

Sec. 3. [119B.195] RETAINING EARLY EDUCATORS THROUGH ATTAINING INCENTIVES NOW (REETAIN) GRANT PROGRAM.

Subdivision 1. Establishment; purpose. The retaining early educators through attaining incentives now (REETAIN) grant program is established to provide competitive grants to incentivize well-trained child care professionals to remain in the workforce. The overall goal of the REETAIN grant program is to create more consistent care for children over time.

Subd. 2. Administration. The commissioner shall administer the REETAIN grant program through a grant to a nonprofit with the demonstrated ability to manage benefit programs for child care professionals. Up to ten percent of grant money may be used for administration of the grant program.

Subd. 3. Application. Applicants must apply for the REETAIN grant program using the forms and according to timelines established by the commissioner.

Subd. 4. Eligibility. (a) To be eligible for a grant, an applicant must:

- (1) be licensed to provide child care or work for a licensed child care program;
- (2) work directly with children at least 30 hours per week;
- (3) have worked in the applicant's current position for at least 12 months;
- (4) agree to work in the early childhood care and education field for at least 12 months upon receiving a grant under this section;
- (5) have a career lattice step of five or higher;
- (6) have a current membership with the Minnesota quality improvement and registry tool;
- (7) not be a current teacher education and compensation helps scholarship recipient; and
- (8) meet any other requirements determined by the commissioner.

(b) Grant recipients must sign a contract agreeing to remain in the early childhood care and education field for 12 months.

Subd. 5. Grant awards. Grant awards must be made annually and may be made up to an amount per recipient determined by the commissioner. Grant recipients may use grant money for program supplies, training, or personal expenses.

Subd. 6. Report. By **January 1** each year, the commissioner must report to the legislative committees with jurisdiction over child care about the number of grants awarded to recipients and outcomes of the grant program since the last report.