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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 4418

03/17/2022

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The bill was read for the first time and referred to the Committee on Early Childhood Finance and Policy

1.1 A bill for an act
1.2 relating to early childhood; requiring the commissioner of human services to
1.3 develop a cost estimation model for early care and learning programs and a child
1.4 care provider wage scale; requiring reports; appropriating money.

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

1.6 Section 1. DIRECTION TO COMMISSIONER OF HUMAN SERVICES; COST
1.7 ESTIMATION MODEL FOR EARLY CARE AND LEARNING PROGRAMS.

1.8 (a) The commissioner of human services shall develop a cost estimation model for
1.9 providing early care and learning in the state. In developing the model, the commissioner
1.10 shall:

1.11 (1) consult with relevant entities and stakeholders, including but not limited to the State
1.12 Advisory Council on Early Childhood Education and Care under Minnesota Statutes, section
1.13 124D.141; county administrators; child care resource and referral organizations under
1.14 Minnesota Statutes, section 119B.19, subdivision 1; and organizations representing
1.15 caregivers, teachers, and directors; and

1.16 (2) ensure that the model can estimate variation in the cost of early care and learning by
1.17 differences in:

1.18 (i) quality of care;

1.19 (ii) geographic area;

1.20 (iii) type of child care provider and associated licensing standards;

1.21 (iv) age of child;

2.1 (v) whether the early care and learning is inclusive, caring for children with disabilities
 2.2 alongside children without disabilities; and

2.3 (vi) provider and staff compensation, including benefits such as professional development
 2.4 stipends, health benefits, and retirement benefits.

2.5 (b) By January 30, 2023, the commissioner shall report to the legislative committees
 2.6 with jurisdiction over early childhood programs on the development of the cost estimation
 2.7 model. The report shall include:

2.8 (1) recommendations for how the model could be used in conjunction with a child care
 2.9 provider wage scale to set provider payment rates for child care assistance under Minnesota
 2.10 Statutes, chapter 119B; and

2.11 (2) the department's plan to seek federal approval to use the model for provider payment
 2.12 rates for child care assistance.

2.13 **Sec. 2. DIRECTION TO COMMISSIONER OF HUMAN SERVICES; CHILD**
 2.14 **CARE PROVIDER WAGE SCALE.**

2.15 (a) The commissioner of human services shall develop, in consultation with the
 2.16 commissioner of employment and economic development, the commissioner of education,
 2.17 and relevant stakeholders, a child care provider wage scale that:

2.18 (1) provides for wages that are equivalent to elementary school educators with similar
 2.19 credentials and experience;

2.20 (2) incentivizes child care providers and staff to increase child care-related qualifications;

2.21 (3) incorporates payments toward compensation benefits, including professional
 2.22 development stipends, health benefits, and retirement benefits; and

2.23 (4) accounts for the business structures of different types of child care providers, including
 2.24 licensed family child care providers and legal, nonlicensed family child care providers.

2.25 (b) By January 30, 2023, the commissioner shall report to the legislative committees
 2.26 with jurisdiction over early childhood programs on the development of the wage scale and
 2.27 make recommendations for how the wage scale could be used to inform payment rates for
 2.28 child care assistance under Minnesota Statutes, chapter 119B.

3.1 Sec. 3. **APPROPRIATION; COST ESTIMATION MODEL FOR EARLY CARE**
 3.2 **AND LEARNING PROGRAMS.**

3.3 \$..... in fiscal year 2023 is appropriated from the general fund to the commissioner of
 3.4 human services to develop a cost estimation model for providing early care and learning in
 3.5 the state. This is a onetime appropriation.

3.6 Sec. 4. **APPROPRIATION; CHILD CARE PROVIDER WAGE SCALE.**

3.7 \$..... in fiscal year 2023 is appropriated from the general fund to the commissioner of
 3.8 human services to develop a wage scale for child care providers. This is a onetime
 3.9 appropriation.