

## Summary of 2025 Legislative Changes for Child Care and Early Education

*\*Indicates the change item was included in the Governor's budget though funding amounts and other details might have changed during the legislative process.*

### Child Care and Early Education

Change	Agency	Impact
Funding	DCYF	Provides \$750,000 in one-time funding for child care improvement grants through a combination of state general funds and the federal Child Care Development Fund. This is the continuation of a program initially established using federal American Rescue Plan funds. Child care providers can seek grant funding for small facilities improvement projects.
Funding	DCYF	Requires state-licensed child care centers to post a maltreatment investigation memorandum (meaning there was a maltreatment finding and the provider is subject to a licensing action) to install cameras in infant and toddler classrooms for four years. Cameras must be installed within six months of a maltreatment finding. \$76,000 is appropriated for IT changes to ensure compliance is part of licensing inspections, and \$174,000 is appropriated for grants to providers to purchase compliant camera equipment.
Funding	DCYF	<p>Funds several family- and provider-friendly improvements related to federal compliance in the Child Care Assistance Program (CCAP) through a combination of state general funds and federal Child Care Development Funds including*:</p> <ul style="list-style-type: none"> <li>• Reducing copays to no more than 7 percent of income, effective October 9, 2028;</li> <li>• Adding an annual health and safety requirement to legal non-licensed providers effective October 1, 2025;</li> <li>• Extending the redetermination date by 12 months when a child is added to the family, effective May 25, 2026;</li> <li>• Eliminating the schedule reporter designation effective March 2, 2026, thereby providing 12 months of eligibility before redetermination;</li> <li>• Changes how licensing reviews, including pre-licensure reports, acknowledge areas of compliance and non-compliance, and adjusts</li> </ul>

		<p>training requirements for substitutes and unsupervised volunteers for family child care providers and licensed child care centers;</p> <ul style="list-style-type: none"> <li>Establishing a statewide electronic enrollment and attendance tracking system for CCAP providers.</li> </ul>
Funding	DCYF	Provides \$516,000 each year in the 2026-2027 biennium for a grant to the Greater Twin Cities United Way to subsidize child care costs for child care workers across the state. Also included is a small amount of administrative funding for DCYF to verify applicant eligibility.
Funding	DCYF	The Capital Investment Bill includes \$1 million one-time in general obligation bonds for child care facility grants under section 142A.46.
Policy	DCYF	Clarifies that Great Start Compensation Support Payment Program payments to child care programs are public data, and specifically that the names and addresses of child care programs, amounts paid under the program, and frequency of payments are public data. Information about children and families in the program, individual information on employees, and information on legal non-licensed providers is private or nonpublic.*
Policy	DCYF	Updates to T.E.A.C.H. higher education scholarship statutes including 1) allowing the maximum scholarship amount to be adjusted consistent with national T.E.A.C.H. program requirements, 2) making clear individuals employed by a certified child care center or Head Start are eligible to participate, and 3) reducing the matching contribution from 20 to 10 percent for scholarship recipients that work in family child care.*
Policy	DCYF	Requires funding, to the extent it is available, under Laws 2023, chapter 70, article 12, section 32 (Modernizing Information Technology for Programs Impacting Children and Families), for specific purposes, including to develop a family common application tool and centralized, integrated payment system for early care and education programs. Quarterly reporting on progress is required until funding is expended.

## K-12 Education

Change	Agency	Impact
Funding	MDE	Provides \$350,000 for Read Act implementation.
Funding	MDE	Authorizes and provides \$120,000 in funding for a legislative task force to look at the use of seclusion and a possible change to the prohibition on its use from birth to grade 3.
Policy	MDE	Delays the Kindergarten Fall Assessment implementation from SY2025-2026 to SY2026-2027.*

## Higher Education

Change	Agency	Impact
Funding	OHE	Increases the Post-Secondary Child Care Grant by \$500,000 per biennium.

## Food Security

Change	Agency	Impact
Funding	MDA	Increases funding to Farm to School and Early Care programs by \$684,000 per biennium.