

The Best Design For Early Learning Scholarships

The design of Early Learning Scholarships makes a significant difference for children, and Minnesota needs scholarship design improvements.

THREE SCHOLARSHIP MODELS. In Minnesota, over the last decade there have been three variations of Scholarships used:

1. **ORIGINAL SCHOLARSHIPS.** The Minnesota Early Learning Foundation (MELF) piloted the original Scholarship model from 2007-2011.
2. **PATHWAY II SCHOLARSHIPS.** When the Legislature approved funding to bring Scholarships statewide, the Minnesota Department of Education (MDE) deviated from the MELF-piloted approach by earmarking about half of the funding for a very different approach they labeled “Pathway II Scholarships.”
3. **PATHWAY I SCHOLARSHIPS.** MDE then earmarked the other half of funding for what it labeled “Pathway I Scholarships.” The Legislature has since increased the Pathway I portion to slightly more than half of the total scholarship funding.

THREE DIFFERENCES. The three Scholarship models differed in three primary ways:

- A. **CHOICE.** First, the models differed as to whether they allowed parents to use Scholarships at the Parent Aware-rated program of their choice, including programs based in schools, centers, homes, churches and nonprofit organizations;
- B. **NO CAP.** Second, the models differed in whether they had a per child funding cap;
- C. **PORTABILITY.** Finally, the models differed in whether Scholarships were “portable,” meaning a parent could take the Scholarship with them when they changed early education programs, such as when they had a new home or job.

This chart summarizes the primary differences in the three models.

Advantages for Children and Families	GOOD: Pathway II Scholarships	BETTER: Pathway I Scholarships	BEST: Original Scholarships (No longer exist)
Choice		X	X
No Cap			X
Portability		X	X

NEEDED REFORMS. Minnesota children and families will greatly benefit by moving back to the policies embodied in the “Original Scholarship” approach that the MELF pilot proved effective.

RATIONALE. This is how children and parents would benefit from such a reform.

- **Choice.** Giving parents a full range of choices helps them find options that best fit their work schedule, location, culture and other preferences.
- **No Cap.** Lifting the cap ensures at-risk children get the full-day, full-year early learning assistance they need to get prepared for kindergarten.
- **Portability.** Making all Scholarships portable ensures vulnerable children won’t get cut off from learning when their parents change jobs or homes.

At first blush, these design details may seem obscure. But they deserve legislative attention, because they have huge implications for Minnesota’s most vulnerable children.