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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. **1057**

02/19/2015 Authored by Franson, Moran, Backer, Loeffler, Albright and others
The bill was read for the first time and referred to the Committee on Health and Human Services Finance

1.1 A bill for an act
1.2 relating to health and human services; modifying child care assistance program
1.3 provider rates; appropriating money; amending Minnesota Statutes 2014, section
1.4 119B.13, subdivision 1.

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

1.6 Section 1. Minnesota Statutes 2014, section 119B.13, subdivision 1, is amended to read:

1.7 Subdivision 1. **Subsidy restrictions.** (a) Beginning ~~February 3, 2014~~ July 1, 2015,
1.8 the maximum rate paid for child care assistance in any county or county price cluster under
1.9 the child care fund shall be the greater of the ~~25th~~ 50th percentile of the ~~2011~~ most recent
1.10 biennial child care provider rate survey or the maximum rate effective November 28, 2011.

1.11 The commissioner may: (1) assign a county with no reported provider prices to a similar
1.12 price cluster; and (2) consider county level access when determining final price clusters.

1.13 (b) A rate which includes a special needs rate paid under subdivision 3 may be in
1.14 excess of the maximum rate allowed under this subdivision.

1.15 (c) The department shall monitor the effect of this paragraph on provider rates. The
1.16 county shall pay the provider's full charges for every child in care up to the maximum
1.17 established. The commissioner shall determine the maximum rate for each type of care
1.18 on an hourly, full-day, and weekly basis, including special needs and disability care. The
1.19 maximum payment to a provider for one day of care must not exceed the daily rate. The
1.20 maximum payment to a provider for one week of care must not exceed the weekly rate.

1.21 (d) Child care providers receiving reimbursement under this chapter must not be
1.22 paid activity fees or an additional amount above the maximum rates for care provided
1.23 during nonstandard hours for families receiving assistance.

2.1 (e) When the provider charge is greater than the maximum provider rate allowed,
2.2 the parent is responsible for payment of the difference in the rates in addition to any
2.3 family co-payment fee.

2.4 (f) All maximum provider rates changes shall be implemented on the Monday
2.5 following the effective date of the maximum provider rate.

2.6 (g) Notwithstanding Minnesota Rules, part 3400.0130, subpart 7, maximum
2.7 registration fees in effect on January 1, 2013, shall remain in effect.

2.8 **Sec. 2. APPROPRIATION; CHILD CARE ASSISTANCE PROGRAMS.**

2.9 (a) \$270,000,000 is appropriated for the biennium beginning on July 1, 2015, from
2.10 the general fund to the commissioner of human services for the purposes of the child
2.11 care assistance programs under Minnesota Statutes, sections 119B.03 and 119B.05. This
2.12 appropriation is ongoing and is added to the base.

2.13 (b) Of the amount appropriated in paragraph (a), \$..... is for the child care provider
2.14 reimbursement rate increase under Minnesota Statutes, section 119B.13, subdivision 1,
2.15 and \$..... is to provide assistance to additional families under Minnesota Statutes, section
2.16 119B.03.