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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 3861

02/28/2022 Authored by Boldon; Olson, L.; Howard; Berg; Hornstein and others
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 child care assistance; modifying child care assistance eligibility and
1.3 co-payment requirements; amending Minnesota Statutes 2020, sections 119B.09,
1.4 subdivision 1; 119B.12, subdivision 1.

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

1.6 Section 1. Minnesota Statutes 2020, section 119B.09, subdivision 1, is amended to read:

1.7 Subdivision 1. General eligibility requirements. (a) Child care services must be
1.8 available to families who need child care to find or keep employment or to obtain the training
1.9 or education necessary to find employment and who:

1.10 (1) have household income less than or equal to 67 85 percent of the state median income,
1.11 adjusted for family size, at application and redetermination, and meet the requirements of
1.12 section 119B.05; receive MFIP assistance; and are participating in employment and training
1.13 services under chapter 256J; or.

1.14 (2) have household income less than or equal to 47 percent of the state median income,
1.15 adjusted for family size, at application and less than or equal to 67 percent of the state
1.16 median income, adjusted for family size, at redetermination.

1.17 (b) Child care services must be made available as in-kind services.

1.18 (c) All applicants for child care assistance and families currently receiving child care
1.19 assistance must be assisted and required to cooperate in establishment of paternity and
1.20 enforcement of child support obligations for all children in the family at application and
1.21 redetermination as a condition of program eligibility. For purposes of this section, a family

2.1 is considered to meet the requirement for cooperation when the family complies with the  
2.2 requirements of section 256.741.

2.3 (d) All applicants for child care assistance and families currently receiving child care  
2.4 assistance must pay the co-payment fee under section 119B.12, subdivision 2, as a condition  
2.5 of eligibility. The co-payment fee may include additional recoupment fees due to a child  
2.6 care assistance program overpayment.

2.7 (e) If a family has one child with a child care authorization and the child reaches 13  
2.8 years of age or the child has a disability and reaches 15 years of age, the family remains  
2.9 eligible until the redetermination.

2.10 **EFFECTIVE DATE.** This section is effective February 6, 2023.

2.11 Sec. 2. Minnesota Statutes 2020, section 119B.12, subdivision 1, is amended to read:

2.12 Subdivision 1. **Fee schedule.** All changes to parent fees must be implemented on the  
2.13 first Monday of the service period following the effective date of the change.

2.14 PARENT FEE SCHEDULE. The parent fee schedule is as follows, except as noted in  
2.15 subdivision 2:

| Income Range (as a percent of the state median income, except at the start of the first tier for the first two tiers) | Co-payment (as a percentage of adjusted gross income, except for the first two tiers) |
|---|---|
| 2.19 0-74.99% of federal poverty guidelines   | \$0/biweekly  |
| 2.20 75.00-99.99% of federal poverty guidelines   | \$2/biweekly  |
| 2.21 100.00% of federal poverty<br>2.22 guidelines-27.72%   | 2.61%   |
| 2.23 27.73-29.04%   | 2.61%   |
| 2.24 29.05-30.36%   | 2.61%   |
| 2.25 30.37-31.68%   | 2.61%   |
| 2.26 31.69-33.00%   | 2.91%   |
| 2.27 33.01-34.32%   | 2.91%   |
| 2.28 34.33-35.65%   | 2.91%   |
| 2.29 35.66-36.96%   | 2.91%   |
| 2.30 36.97-38.29%   | 3.21%   |
| 2.31 38.30-39.61%   | 3.21%   |
| 2.32 39.62-40.93%   | 3.21%   |
| 2.33 40.94-42.25%   | 3.84%   |
| 2.34 42.26-43.57%   | 3.84%   |
| 2.35 43.58-44.89%   | 4.46%   |

|      |  |               |
|------|--|---------------|
| 3.1  | 44.90-46.21%                                 | 4.76%         |
| 3.2  | 46.22-47.53%                                 | 5.05%         |
| 3.3  | 47.54-48.85%                                 | 5.65%         |
| 3.4  | 48.86-50.17%                                 | 5.95%         |
| 3.5  | 50.18-51.49%                                 | 6.24%         |
| 3.6  | 51.50-52.81%                                 | 6.84%         |
| 3.7  | 52.82-54.13%                                 | 7.58%         |
| 3.8  | 54.14-55.45%                                 | 8.33%         |
| 3.9  | 55.46-56.77%                                 | 9.20%         |
| 3.10 | 56.78-58.09%                                 | 10.07%        |
| 3.11 | 58.10-59.41%                                 | 10.94%        |
| 3.12 | 59.42-60.73%                                 | 11.55%        |
| 3.13 | 60.74-62.06%                                 | 12.16%        |
| 3.14 | 62.07-63.38%                                 | 12.77%        |
| 3.15 | 63.39-64.70%                                 | 13.38%        |
| 3.16 | 64.71-67.00%                                 | 14.00%        |
| 3.17 | <u>67.01-85.00%</u>                          | <u>14.00%</u> |
| 3.18 | Greater than <del>67.00%</del> <u>85.00%</u> | ineligible    |

3.19 For families with incomes greater than or equal to 100 percent of federal poverty  
3.20 guidelines through 67 percent of the state median income, a family's biweekly co-payment  
3.21 fee is the fixed percentage established for the income range multiplied by the highest possible  
3.22 income within that income range. For families with incomes greater than or equal to 67.01  
3.23 percent of the state median income but not more than 85 percent of the state median income,  
3.24 a family's biweekly co-payment fee is the fixed percentage established for the income range  
3.25 multiplied by the lowest possible income within that income range.

3.26 **EFFECTIVE DATE.** This section is effective February 6, 2023.