

HOUSE RESEARCH

Bill Summary

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Authors: Moran

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Analyst: Danyell A. Punelli

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Overview

Child care assistance programs (CCAP) subsidize the child care expenses of eligible low-income families. The Minnesota Department of Human Services administers two child care assistance programs: Minnesota Family Investment Program (MFIP) child care assistance and Basic Sliding Fee (BSF) child care assistance. MFIP child care subsidizes the child care costs of families receiving cash assistance through MFIP and provides child care assistance for eligible families for the first 12 months after the family leaves MFIP cash assistance (transition year child care). BSF child care provides a child care subsidy to low-income working families who are not receiving cash assistance from MFIP.

Not all families who apply for child care assistance receive it. MFIP child care is a forecasted, fully funded program, while BSF child care receives a capped allocation. As of January 31, 2014, there were 8,319 families on the waiting list for BSF child care assistance.

This bill modifies CCAP by (1) requiring the commissioner of management and budget to forecast the BSF child care program and making conforming statutory changes, and (2) increasing the maximum reimbursement rates for providers providing child care under CCAP.

Section

- 1 Student parent.** Amends § 119B.011, subd. 19b. Removes a reference to the BSF waiting list, which is repealed in section 15.

Section

- 2 **Child care services.** Amends § 119B.02, subd. 1. Removes language limiting CCAP to available appropriations.
- 3 **Contractual agreements with tribes.** Amends § 119B.02, subd. 2. Removes a reference to county allocations, which is repealed in section 15.
- 4 **Portability pool.** Amends § 119B.03, subd. 9. Modifies the BSF portability pool to conform to basic sliding fee becoming a forecasted program.
- 5 **Establishment.** Amends § 119B.035, subd. 1. Removes language limiting the at-home infant child care program to available appropriations.
- 6 **Assistance.** Amends § 119B.035, subd. 4. Makes conforming changes.
- 7 **Eligible participants.** Amends § 119B.05, subd. 1. Removes a reference to transition year extension, which is repealed in section 15.
- 8 **Federal reimbursement.** Amends § 119B.05, subd. 5. Requires the state, in addition to counties, to maximize federal reimbursements for child care assistance programs.
- 9 **Child care fund plan.** Amends § 119B.08, subd. 3. Removes references to county allocations, which are repealed in section 15, and makes conforming changes.
- 10 **Temporary ineligibility of military personnel.** Amends § 119B.09, subd. 4a. Removes references to the BSF waiting list, which is repealed in section 15.
- 11 **Subsidy restrictions.** Amends § 119B.13, subd. 1. Increases maximum reimbursement rates under CCAP beginning July 1, 2014.
- 12 **Relationship to current law.** Amends § 119B.231, subd. 5. Removes a reference to county allocations, which are repealed in section 15.
- 13 **Timing and disposition of penalty and case disallowance funds.** Amends §256.017, subd. 9. Removes a reference to county allocations, which are repealed in section 15.
- 14 **Direction to commissioner of management and budget.** Requires the state obligation for the BSF child care assistance program to be included in the February and November forecast of state revenues and expenditures beginning with the November 2014 forecast.
- 15 **Repealer.** Repeals Minnesota Statutes 2012, sections 119B.011, subd. 20a (transition year extension families); 119B.03, subs. 1 (notice of allocation), 2 (waiting list), 5 (review of use of funds; reallocation), 6 (allocation formula), 6a (allocation due to increased funding), 6b (allocation due to decreased funding), and 8 (guaranteed floor); and 119B.09, subd. 3 (priorities; allocations).

Paragraph (b) repeals Minnesota Statutes 2013 Supplement, section 119B.03, subd. 4 (funding priority).

Section

Paragraph (c) repeals Minnesota Rules, parts 3400.0020, subp. 8 (allocation); 3400.0030 (notice of basic sliding fee program allocation); and 3400.0060, subps. 2 (basic sliding fee allocation), 4 (reallocation of unexpended or unencumbered funds), 6 (basic sliding fee program waiting lists), 6a (transfer of families from waiting list to basic sliding fee program), and 7 (waiting list; transfer of transition year families to the basic sliding fee program).