Overview

This bill consolidates the basic sliding fee child care assistance program and the MFIP child care assistance program, including the transition year child care assistance. Families eligible for assistance must have incomes below 75 percent of state median income and must participate in one of four approved activities. The bill requires the projected costs of child care assistance to be forecasted and the appropriate fund balance to be adjusted to reflect the projected costs. The cost of child care assistance for eligible students and for families participating in the at-home infant program are excluded from the forecast and must be funded separately.

Section

1 **Income.** Adds child care assistance to the exclusions from earned and unearned for the purposes of the child care assistance program.

2 **MFIP.** Replaces the definition of *AFDC* with the definition of *MFIP*, defined as the Minnesota family investment program and the work first program.

3 **Duties of the commissioner.** Removes the appropriation limit on the allocation of funds to counties for child care assistance. Removes the requirement for proportional transfer of funds to Indian reservations for child care assistance. Makes technical changes.

4 **Eligible recipients.** Repeals the allocation of funds to counties and adds eligibility criteria to receive child care assistance. An eligible family must receive child care assistance if the family has income less than 75 percent of the state median income and participates in one or more of the authorized activities under section 5 of this bill.

5 **Authorized activities.** Repeals provisions on the waiting list for the basic sliding fee program and establishes authorized activities for families to be eligible for child care assistance. The authorized activities are:

   (1) activities under an approved employability development plan under MFIP, including employment orientation, job search, and employment and training;
(2) work activities required in a job search support or employment plan or in appeals or orientation under MFIP. Child care assistance to support work activities defined under chapter 256J must be available according to state and federal requirements;

(3) up to 240 hours per year of job search outside of an MFIP employability development plan;

(4) employment outside a defined employment plan under the child care assistance program earning the minimum wage or more for at least 10 or more hours a week for student caregivers and 20 or more hours for nonstudent caregivers. Methods for calculating the amount of assistance are provided based on caregivers who work for wages and those who do not work for wages.

6 Eligibility; annual income; calculation. Provides a method for calculating the annual income for families who work for wages and self-employed families. Requires income redetermination at least every six months or when income changes.

7 Eligible recipients; funding. Repeals the eligibility requirements for the basic sliding fee and provides continuous assistance for all enrolled families who remain eligible for child care assistance. Establishes separate eligibility for post-secondary students and the at-home infant program. Excludes these child care programs from the forecast for child care assistance and requires separate appropriations.

8 Carryforward. Repeals the quarterly reallocation of unexpended child care funds to counties.

9 Application. Retains the requirement of multiple application methods for the unified child care assistance program that exists under current law for the basic sliding fee program.

10 Forecasting funds. Limits the expenditure on child care assistance to the amount appropriated by the legislature, including state and federal funds. Requires the projected cost of child care assistance to be forecasted and to be recognized in the fund balance within the forecast.

11 Commissioner to administer program. Makes technical change to citation and name of commissioner.

12 Federal reimbursement. Repeals the requirement to allocate federal earnings to expand child care services.

13 Establishment. Modifies the at-home infant program by eliminating references to the basic sliding fee program and repeals the requirement to set aside seven percent of the basic sliding fee appropriations. Reallocates unexpended money from the at-home program for child care assistance for students.

14 Eligible families. Makes eligibility for the at-home program permissive and changes MFIP-S to MFIP.

15 Eligible parent. Establishes the date of eligibility for the at-home infant care program as the later of the date of birth or the date of application.

16 Assistance. Eliminates references to the basic sliding fee program and changes MFIP-S to MFIP.

17 Students. Requires that the appropriation for student child care to be used for child care assistance for students eligible under the child care fund. Repeals the exemption from time limits for students participating in post-secondary options programs. Changes AFDC to MFIP.

18 Payments. Replaces quarterly payments to counties with monthly payments for child care assistance.

19 Child care fund plan. Makes changes to the social services plan that counties are required to submit. Eliminates the requirement to submit a prioritization policy for child care assistance and repeals the penalties for counties that don't meet the deadlines for plan submissions. Corrects
the citation for the biennial community plan.

20 General eligibility requirements for all applicants for child care assistance. Repeals the current eligibility requirements for child care assistance and cross references the eligibility requirements under section 4 of this bill.

21 Sliding fee. Eliminates a reference to the income range established in rule.

22 Cooperation with child support. Reinstates the requirement to cooperate with child support that is repealed in section 20 of this bill.

23 Eligibility for assistance. Repeals eligibility dates for the at-home infant care program and assistance limits. Eligibility dates are reinstated in section 15 of this bill.

24 County contributions required. Updates the effective date of the section and replaces payments with copayments.

25 Administrative expenses. Replaces references to the separate child care assistance programs with the unified child care assistance program.

26 Instruction to revisor. Directs the revisor to make changes to the headnotes of the child care assistance programs.

27 Repealer. Repeals section 119B.01, subdivision 16 (definition of transition year families); section 119B.03, subdivision 4 (funding priorities for the basic sliding fee program), subdivision 6 (allocation to counties), subdivision 7 (temporary allocation formula), subdivision 8 (guaranteed allocation to counties), and subdivision 9 (portability pool); section 119B.05 , subdivision 1 (eligible recipients for AFDC child care), subdivision 6 (obsolete Access child care program), subdivision 7 (obsolete child care assistance diversion); section 119B.075 (reserve account for child care); 119B.09, subdivision 3 (county authority to establish priorities), and subdivision 4 (calculation of income for eligibility); and 119B.10, subdivision 1 (assistance for persons seeking and retaining employment).