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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 1126

02/15/2021 Authored by Pryor and Pinto
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 human services; modifying the child care assistance program; amending
1.3 Minnesota Statutes 2020, section 119B.13, subdivision 1.

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

1.5 Section 1. Minnesota Statutes 2020, section 119B.13, subdivision 1, is amended to read:

1.6 Subdivision 1. Subsidy restrictions. (a) The maximum rate paid for child care assistance
1.7 in any county or county price cluster under the child care fund shall be the greater of the
1.8 25th percentile of the 2018 most recent child care provider rate survey or the rates in effect
1.9 at the time of the update. For a child care provider located within the boundaries of a city
1.10 located in two or more of the counties of Benton, Sherburne, and Stearns, the maximum
1.11 rate paid for child care assistance shall be equal to the maximum rate paid in the county
1.12 with the highest maximum reimbursement rates or the provider's charge, whichever is less.
1.13 The commissioner may: (1) assign a county with no reported provider prices to a similar
1.14 price cluster; and (2) consider county level access when determining final price clusters.

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

1.17 (c) The department shall monitor the effect of this paragraph on provider rates. The
1.18 county shall pay the provider's full charges for every child in care up to the maximum
1.19 established. The commissioner shall determine the maximum rate for each type of care on
1.20 an hourly, full-day, and weekly basis, including special needs and disability care.

2.1 (d) If a child uses one provider, the maximum payment for one day of care must not
2.2 exceed the daily rate. The maximum payment for one week of care must not exceed the
2.3 weekly rate.

2.4 (e) If a child uses two providers under section 119B.097, the maximum payment must
2.5 not exceed:

2.6 (1) the daily rate for one day of care;

2.7 (2) the weekly rate for one week of care by the child's primary provider; and

2.8 (3) two daily rates during two weeks of care by a child's secondary provider.

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

2.12 (g) If the provider charge is greater than the maximum provider rate allowed, the parent
2.13 is responsible for payment of the difference in the rates in addition to any family co-payment
2.14 fee.

2.15 (h) All maximum provider rates changes shall be implemented on the Monday following
2.16 the effective date of the maximum provider rate.

2.17 (i) ~~Beginning September 21, 2020,~~ The maximum registration fee paid for child care
2.18 assistance in any county or county price cluster under the child care fund shall be the greater
2.19 of the 25th percentile of the ~~2018~~ most recent child care provider rate survey or the
2.20 registration fee in effect at the time of the update. Maximum registration fees must be set
2.21 for licensed family child care and for child care centers. For a child care provider located
2.22 in the boundaries of a city located in two or more of the counties of Benton, Sherburne, and
2.23 Stearns, the maximum registration fee paid for child care assistance shall be equal to the
2.24 maximum registration fee paid in the county with the highest maximum registration fee or
2.25 the provider's charge, whichever is less.