

1.1 Senator ..... moves to amend S.F. No. 4410 as follows:

1.2 Page 87, before line 7, insert:

1.3 "Section 1. Minnesota Statutes 2020, section 119B.011, subdivision 2, is amended to read:

1.4 Subd. 2. **Applicant.** "Child care fund applicants" means all parents; stepparents; legal  
1.5 guardians; ~~or~~; eligible relative caregivers ~~who are~~; relative custodians who accepted a transfer  
1.6 of permanent legal and physical custody of a child under section 260C.515, subdivision 4,  
1.7 or similar permanency disposition in Tribal code; successor custodians or guardians as  
1.8 established by section 256N.22, subdivision 10; or foster parents providing care to a child  
1.9 placed in a family foster home under section 260C.007, subdivision 16b. Applicants must  
1.10 be members of the family and reside in the household that applies for child care assistance  
1.11 under the child care fund.

1.12 **EFFECTIVE DATE.** This section is effective August 7, 2023.

1.13 Sec. 2. Minnesota Statutes 2020, section 119B.011, subdivision 5, is amended to read:

1.14 Subd. 5. **Child care.** "Child care" means the care of a child by someone other than a  
1.15 parent; stepparent; legal guardian; eligible relative caregiver; relative custodian who  
1.16 accepted a transfer of permanent legal and physical custody of a child under section  
1.17 260C.515, subdivision 4, or similar permanency disposition in Tribal code; successor  
1.18 custodian or guardian as established according to section 256N.22, subdivision 10; foster  
1.19 parent providing care to a child placed in a family foster home under section 260C.007,  
1.20 subdivision 16b; or the spouses spouse of any of the foregoing in or outside the child's own  
1.21 home for gain or otherwise, on a regular basis, for any part of a 24-hour day.

1.22 **EFFECTIVE DATE.** This section is effective August 7, 2023.

1.23 Sec. 3. Minnesota Statutes 2020, section 119B.011, subdivision 13, is amended to read:

1.24 Subd. 13. **Family.** "Family" means parents; stepparents; guardians and their spouses;  
1.25 ~~or~~; other eligible relative caregivers and their spouses; relative custodians who accepted a  
1.26 transfer of permanent legal and physical custody of a child under section 260C.515,  
1.27 subdivision 4, or similar permanency disposition in Tribal code, and their spouses; successor  
1.28 custodians or guardians as established according to section 256N.22, subdivision 10, and  
1.29 their spouses; or foster parents providing care to a child placed in a family foster home  
1.30 under section 260C.007, subdivision 16b, and their spouses; and ~~their blood-related~~ the  
1.31 blood-related dependent children and adoptive siblings under the age of 18 years living in  
1.32 the same home ~~including~~ of the above. This definition includes children temporarily absent

2.1 from the household in settings such as schools, foster care, and residential treatment facilities  
 2.2 ~~or parents, stepparents, guardians and their spouses, or other relative caregivers and their~~  
 2.3 ~~spouses~~ and adults temporarily absent from the household in settings such as schools, military  
 2.4 service, or rehabilitation programs. An adult family member who is not in an authorized  
 2.5 activity under this chapter may be temporarily absent for up to 60 days. When a minor  
 2.6 parent or parents and his, her, or their child or children are living with other relatives, and  
 2.7 the minor parent or parents apply for a child care subsidy, "family" means only the minor  
 2.8 parent or parents and their child or children. An adult age 18 or older who meets this  
 2.9 definition of family and is a full-time high school or postsecondary student may be considered  
 2.10 a dependent member of the family unit if 50 percent or more of the adult's support is provided  
 2.11 by the parents;2 stepparents;2 guardians; and their spouses; relative custodians who accepted  
 2.12 a transfer of permanent legal and physical custody of a child under section 260C.515,  
 2.13 subdivision 4, or similar permanency disposition in Tribal code, and their spouses; successor  
 2.14 custodians or guardians as established according to section 256N.22, subdivision 10, and  
 2.15 their spouses; foster parents providing care to a child placed in a family foster home under  
 2.16 section 260C.007, subdivision 16b, and their spouses; or eligible relative caregivers and  
 2.17 their spouses residing in the same household.

2.18 **EFFECTIVE DATE.** This section is effective August 7, 2023.

2.19 Sec. 4. Minnesota Statutes 2021 Supplement, section 119B.03, subdivision 4a, is amended  
 2.20 to read:

2.21 Subd. 4a. ~~Temporary reprioritization~~ **Funding priorities.** (a) ~~Notwithstanding~~  
 2.22 ~~subdivision 4~~ In the event that inadequate funding necessitates the use of waiting lists,  
 2.23 priority for child care assistance under the basic sliding fee assistance program shall be  
 2.24 determined according to this subdivision ~~beginning July 1, 2021, through May 31, 2024.~~

2.25 (b) First priority must be given to eligible non-MFIP families who do not have a high  
 2.26 school diploma or commissioner of education-selected high school equivalency certification  
 2.27 or who need remedial and basic skill courses in order to pursue employment or to pursue  
 2.28 education leading to employment and who need child care assistance to participate in the  
 2.29 education program. This includes student parents as defined under section 119B.011,  
 2.30 subdivision 19b. Within this priority, the following subpriorities must be used:

2.31 (1) child care needs of minor parents;

2.32 (2) child care needs of parents under 21 years of age; and

2.33 (3) child care needs of other parents within the priority group described in this paragraph.

3.1 (c) Second priority must be given to families in which at least one parent is a veteran,  
3.2 as defined under section 197.447.

3.3 (d) Third priority must be given to eligible families who do not meet the specifications  
3.4 of paragraph (b), (c), (e), or (f).

3.5 (e) Fourth priority must be given to families who are eligible for portable basic sliding  
3.6 fee assistance through the portability pool under subdivision 9.

3.7 (f) Fifth priority must be given to eligible families receiving services under section  
3.8 119B.011, subdivision 20a, if the parents have completed their MFIP or DWP transition  
3.9 year, or if the parents are no longer receiving or eligible for DWP supports.

3.10 (g) Families under paragraph (f) must be added to the basic sliding fee waiting list on  
3.11 the date they complete their transition year under section 119B.011, subdivision 20.

3.12 **EFFECTIVE DATE.** This section is effective July 1, 2022.

3.13 Sec. 5. Minnesota Statutes 2021 Supplement, section 119B.13, subdivision 1, is amended  
3.14 to read:

3.15 Subdivision 1. **Subsidy restrictions.** (a) Beginning ~~November 15, 2021~~ October 3, 2022,  
3.16 the maximum rate paid for child care assistance in any county or county price cluster under  
3.17 the child care fund shall be:

3.18 ~~(1) for all infants and toddlers, the greater of the 40th 75th percentile of the 2021 child~~  
3.19 ~~care provider rate survey or the rates in effect at the time of the update; and.~~

3.20 ~~(2) for all preschool and school-age children, the greater of the 30th percentile of the~~  
3.21 ~~2021 child care provider rate survey or the rates in effect at the time of the update.~~

3.22 (b) Beginning the first full service period on or after January 1, 2025, and every three  
3.23 years thereafter, the maximum rate paid for child care assistance in a county or county price  
3.24 cluster under the child care fund shall be:

3.25 ~~(1) for all infants and toddlers, the greater of the 40th 75th percentile of the 2024 most~~  
3.26 ~~recent child care provider rate survey or the rates in effect at the time of the update; and.~~

3.27 ~~(2) for all preschool and school-age children, the greater of the 30th percentile of the~~  
3.28 ~~2024 child care provider rate survey or the rates in effect at the time of the update.~~

3.29 The rates under paragraph (a) continue until the rates under this paragraph go into effect.

3.30 (c) For a child care provider located within the boundaries of a city located in two or  
3.31 more of the counties of Benton, Sherburne, and Stearns, the maximum rate paid for child

4.1 care assistance shall be equal to the maximum rate paid in the county with the highest  
4.2 maximum reimbursement rates or the provider's charge, whichever is less. The commissioner  
4.3 may: (1) assign a county with no reported provider prices to a similar price cluster; and (2)  
4.4 consider county level access when determining final price clusters.

4.5 (d) A rate which includes a special needs rate paid under subdivision 3 may be in excess  
4.6 of the maximum rate allowed under this subdivision.

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

4.11 (f) If a child uses one provider, the maximum payment for one day of care must not  
4.12 exceed the daily rate. The maximum payment for one week of care must not exceed the  
4.13 weekly rate.

4.14 (g) If a child uses two providers under section 119B.097, the maximum payment must  
4.15 not exceed:

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

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

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

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

4.22 (i) If the provider charge is greater than the maximum provider rate allowed, the parent  
4.23 is responsible for payment of the difference in the rates in addition to any family co-payment  
4.24 fee.

4.25 (j) Beginning October 3, 2022, the maximum registration fee paid for child care assistance  
4.26 in any county or county price cluster under the child care fund shall be ~~set as follows: (1)~~  
4.27 ~~beginning November 15, 2021~~, the greater of the ~~40th~~ 75th percentile of the ~~2021~~ most  
4.28 recent child care provider rate survey or the registration fee in effect at the time of the  
4.29 update; and ~~(2) beginning the first full service period on or after January 1, 2025~~, the  
4.30 ~~maximum registration fee shall be the greater of the 40th percentile of the 2024 child care~~  
4.31 ~~provider rate survey or the registration fee in effect at the time of the update. The registration~~  
4.32 ~~fees under clause (1) continue until the registration fees under clause (2) go into effect.~~

5.1 (k) Maximum registration fees must be set for licensed family child care and for child  
5.2 care centers. For a child care provider located in the boundaries of a city located in two or  
5.3 more of the counties of Benton, Sherburne, and Stearns, the maximum registration fee paid  
5.4 for child care assistance shall be equal to the maximum registration fee paid in the county  
5.5 with the highest maximum registration fee or the provider's charge, whichever is less."

5.6 Page 92, after line 5, insert:

5.7 "Sec. 17. **APPROPRIATION; CCAP FAMILY DEFINITION.**

5.8 \$56,000 in fiscal year 2023 is appropriated from the general fund to the commissioner  
5.9 of human services for the expansion of what constitutes a family under the child care  
5.10 assistance program. The general fund base for this appropriation is \$9,269,000 in fiscal year  
5.11 2024 and \$28,191,000 in fiscal year 2025.

5.12 Sec. 18. **BASE LEVEL ADJUSTMENT; BASIC SLIDING FEE**  
5.13 **REPRIORITIZATION.**

5.14 The general fund base for the basic sliding fee program under Minnesota Statutes, section  
5.15 119B.03, is increased by \$15,441,000 in fiscal year 2025.

5.16 Sec. 19. **APPROPRIATION; CCAP RATE 75TH PERCENTILE.**

5.17 \$51,000 in fiscal year 2023 is appropriated from the general fund to the commissioner  
5.18 of human services to increase the child care assistance program reimbursement rate to the  
5.19 75th percentile. The general fund base for this appropriation is \$98,173,000 in fiscal year  
5.20 2024 and \$122,067,000 in fiscal year 2025."

5.21 Renumber the sections in sequence and correct the internal references

5.22 Amend the title accordingly