

# Bulletin

June 27, 2008

Minnesota Department of Human Services □ P.O. Box 64941 □ St. Paul, MN 55164-0941

**OF INTEREST TO**

- County Directors
- County Supervisors and Staff
  - Child Care
  - Child Support
  - Fiscal
  - Fraud
  - Income Maintenance
  - Social Services
- County Child Care Administrative Contacts and Client Access Contacts
- Child Care Resource and Referral Agencies
- Employment Service Providers
- Tribal Representatives

**ACTION/DUE DATE**

Please read and implement according to the date of change.

**EXPIRATION DATE**

The policies in this bulletin are effective through July 1, 2010.

## Child Care Assistance Program Modifications Enacted by the 2008 Legislature

**TOPIC**

Overview of the 2008 Child Care Assistance Program legislation.

**PURPOSE**

Inform county agencies, employment and training service providers, child care resource and referral agencies, and tribal social service agencies of program and policy modifications enacted by the 2008 legislature.

**CONTACT**

Contact your CCAP Technical liaison or submit your question through Policy Quest.

CCAP Technical Liaisons  
Minnesota Department of Human Services  
P.O. Box 64951  
St. Paul, MN 55164-0951

**SIGNED**

---

CHARLES E. JOHNSON  
Assistant Commissioner  
Children and Family Services

## **I. Introduction**

The results of the 2008 legislative session include policy related statutory changes affecting the Child Care Assistance Program (CCAP) and early childhood development initiatives. This bulletin provides relevant information on statutory changes to counties, tribes and other agencies that administer CCAP, and to Child Care Resource and Referral agencies.

Some of the changes in this bulletin are identified for informational purposes; other changes require agency action. **If you have questions about this bulletin that require immediate attention, please contact your CCAP Technical Assistance Liaison. All other questions should be directed to PolicyQuest.**

Changes referenced in this bulletin are effective August 1, 2008, unless otherwise noted.

## **II. Changes in Child Care Assistance Program Statute**

### **A. Income Eligibility and Parent Fees**

Effective July 1, 2008, income eligibility and the copayment schedule will convert to State Median Income (SMI) from the Federal Poverty Guidelines (FPG). The conversion is based on a family size of three. Family income must be below 47% of SMI to be income eligible to enter CCAP. Families remain income eligible until their income reaches 67% of SMI. Refer to the updated copayment bulletin # 08-68-07 for the new fee schedule and implementation information.

### **B. School Readiness Service Agreements Absent Day changes**

Effective May 23, 2008, children participating in the School Readiness Connections (SRC) Project are exempt from the absent day payment limits. If you are a county who has families with children participating in SRC and you have questions about this change, please contact Stacia Rosas at 651-431-4259 or [stacia.rosas@state.mn.us](mailto:stacia.rosas@state.mn.us).

### **C. Providers**

#### **Employees of licensed and legal nonlicensed (LNL) family child care providers**

Minnesota Statutes, section 119B.09, subdivision 9, has been amended to make employees of licensed and legal nonlicensed (LNL) family child care providers ineligible to receive child care assistance subsidies for their own children or children in their family during the hours they are providing child care or being paid to provide child care. Employees of licensed and LNL family providers are eligible to receive child care assistance subsidies for their own children or children in their family during other authorized activities as long as those hours do not overlap with the hours the employee provides child care services. While the work activity of providing child care is not eligible for child care assistance subsidies, that activity can be counted towards the 20 hour average weekly work requirement in Minnesota Statutes, section

119B.10, subdivision 1(b) if the applicant receives at least minimum wage for all hours worked while providing child care services.

### **Required Action**

- Effective August 1, 2008, new CCAP applicants and current CCAP recipients who are employees of family child care providers must be determined ineligible for child care assistance while they are engaged in the child care activity.

### **LNL Provider Background Study Clarification**

A change to Minnesota Statutes, section 119B.125, Subd. 1 and 2, clarifies the background study requirement for LNL provider family members. Some counties have had difficulty accessing background study materials from the juvenile court system because the requirement for the family member background study was not clearly specified.

### **D. Allocation Formula**

A change to Minnesota Statutes, section 119B.03, subdivision 6, revises the CCAP Basic Sliding Fee (BSF) allocation formula to improve distribution of funds available to counties with unmet need. A 6 month average of waiting list and Transition Year numbers will be used when applying the formula for distribution of funds. The funds available in each category of the BSF formula will be capped at the amount necessary to fund services for families in that category. This proposal was the result of county work group recommendations. These formula changes will be applied beginning with the CY09 allocation.

Currently, counties should use the revised CY08 allocation which was distributed in bulletin #08-32-06. This is the allocation in effect and will not be revised.

### **E. Child Care Advisory Task Force**

The 2008 legislature authorized the establishment of a Child Care Advisory Task Force to review and make recommendations to the legislature to remove barriers facing families applying for and receiving CCAP. The Child Care Advisory Task Force will review child care assistance laws, rules, and policies and make recommendations to remove barriers facing families applying for assistance or completing redeterminations for child care assistance. By January 15, 2010, the Department of Human Services (DHS) must report to the legislature with the Task Force recommendations to remove the barriers facing families in applying for and receiving child care assistance. DHS will provide further information about the Task Force and the process for the selection of Task Force members by September 2008.

### **F. Rates**

No legislative action was taken regarding CCAP Maximum Rates. Maximum Rates effective 7-1-06 as published in bulletin # 06-68-08, and now available in Chapter 9 of the CCAP Manual,

should continue to be applied to CCAP payments. Link to CCAP manual:

[http://www.dhs.state.mn.us/main/groups/county\\_access/documents/pub/dhs16\\_141202.pdf](http://www.dhs.state.mn.us/main/groups/county_access/documents/pub/dhs16_141202.pdf)

### **III. Early Childhood Development Initiatives**

#### **Advisory Council on Early Education and Care**

The State Advisory Council on Early Education and Care, herein after “council,” was created in the omnibus supplemental budget bill, spring 2008, and is charged with fulfilling the duties required under the federal Improving Head Start for School Readiness Act of 2007 as well as additional duties established by the Minnesota legislature. Additional duties include making recommendations on the most efficient and effective way to leverage state and federal funding streams for early childhood and child care programs; how to coordinate or co-locate early childhood and child care programs in one state Office of Early Learning; reviewing program evaluations regarding high-quality early childhood programs; and informing the governor and legislature on how to most effectively create a high quality early childhood system in Minnesota to improve the educational outcomes of children so that all children are school-ready by 2020.

The governor’s office will manage the council organization and appointment process. A notice concerning the council will appear in the State Register and applications for positions on the council will be available on the secretary of state’s website under Open Appointments

(<http://www.sos.state.mn.us/home/index.asp> ).

#### **Pre-Kindergarten Exploratory grants**

Reduces Pre-Kindergarten Exploratory grants by \$250,000 in fiscal year 2009. These grants were funded in the 2007 legislative session at \$2 million in 2008 and \$4 million in 2009. In addition to this reduction, the pre-k exploratory grants were included in the 1.8% grant reduction.

#### **Data Privacy and Licensed and Legally Unlicensed Providers Served by the Child Care Resource and Referral (CCR&R) System**

Codifies data privacy practices currently used by the CCR&Rs into the Minnesota Government Data Practices Act. The changes to the Data Practices Act specify that, with two exceptions, all data that the CCR&Rs collect on licensed child care providers is public data. (These two exceptions are (1) tax identification and social security numbers and (2) personnel salary and benefit data.) Data on individuals collected by the CCR&Rs, including parents using referral services, continues to be private data. The Data Practices Act also now specifies that data on unlicensed family child care providers is data on individuals and therefore private data. Counties can continue to share names and contact information of unlicensed family child care providers serving children receiving child care assistance with the CCR&Rs as both counties and CCR&Rs are part of the welfare system and may exchange this private data.

## **IV. Other Changes**

### **A. MFIP**

For changes to the MFIP program that may affect CCAP cases, please see the MFIP Legislative Changes bulletin.

### **B. Child Support**

Effective October 1, 2009, child support arrears that accumulated before a family was a CCAP recipient will no longer be assigned. This means that families will receive those funds rather than the state and federal government. Arrears that accumulate during the time the family is on assistance will continue to be assigned. For additional changes to the Child Support program that may affect CCAP cases, please see the Child Support Legislative Changes bulletin.

## **V. Special Needs**

This information is available in other formats to people with disabilities by contacting Aaron Coonce at 651-431-4048, or through the Minnesota Relay Service 1-800-627-3529 (TDD), 7-1-1 or 1-877-627-3848 (speech to speech relay service).

## **VI. Legal References**

Minnesota Statutes, sections 119B.01 to 119B.26

Minnesota Rules, parts 3400.0010 to 3400.0235

Federal Child Care and Development Fund, 45 CFR Parts 98 and 99

Laws of Minnesota 2008 Legislative Session, Chapter 361 and 363