

CHAPTER 256H

CHILD CARE PROGRAMS

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256H.01 DEFINITIONS.

Subdivision 1. **Scope.** For the purposes of sections 256H.01 to 256H.20, the following terms have the meanings given.

Subd. 2. **Child care services.** "Child care services" means child care provided in family day care homes, group day care homes, nursery schools, day nurseries, child day care centers, head start, and extended day school age child care programs in or out of the child's home.

[For text of subs 3 to 6, see M.S.1988]

Subd. 7. **Education program.** "Education program" means remedial or basic education or English as a second language instruction, a program leading to a general equivalency or high school diploma, and other education and training needs as documented in an employability plan that is developed by an employment and training service provider certified by the commissioner of jobs and training or an individual designated by the county to provide employment and training services. The employability plan must outline education and training needs of a recipient, meet state requirements for employability plans, and meet the requirements of other programs that provide federal reimbursement for child care services. The county must incorporate into a recipient's employability plan an educational plan developed by a post-secondary institution for a nonpriority AFDC recipient who is enrolled or planning to enroll at that institution.

Subd. 8. **Employment program.** "Employment program" means employment of recipients financially eligible for child care assistance, preemployment activities, or other activities approved in an employability plan that is developed by an employment and training service provider certified by the commissioner of jobs and training or an individual designated by the county to provide employment and training services. The plans must meet the requirements of other programs that provide federal reimbursement for child care services.

[For text of subs 9 and 10, see M.S.1988]

Subd. 11. **Income.** "Income" means earned or unearned income received by all family members 16 years or older, including public assistance benefits, unless specifically excluded. The following are excluded from income: scholarships, work study income, and grants that cover costs for tuition, fees, books, and educational supplies; student loans for tuition, fees, books, supplies, and living expenses; earned income tax credits; in-kind income such as food stamps, energy assistance, medical assistance, and housing subsidies; income from summer or part-time employment of 16-, 17-, and 18-year-old full-time secondary school students; grant awards under the family subsidy program; and nonrecurring lump sum income only to the extent that it is earmarked and used for the purpose for which it is paid.

Subd. 12. **Provider.** "Provider" means a child care license holder who operates a

family day care home, a group family day care home, a day care center, a nursery school, a day nursery, an extended day school age child care program; a person exempt from licensure who meets child care standards established by the state board of education; or a legal nonlicensed caregiver who is at least 18 years of age.

[For text of subs 13 to 15, see M.S.1988]

History: 1989 c 282 art 2 s 135-140

256H.02 DUTIES OF COMMISSIONER.

The commissioner shall develop standards for county and human services boards to provide child care services to enable eligible families to participate in employment, training, or education programs. Within the limits of available appropriations, the commissioner shall distribute money to counties to reduce the costs of child care for eligible families. The commissioner shall adopt rules to govern the program in accordance with this section. The rules must establish a sliding schedule of fees for parents receiving child care services. The commissioner shall maximize the use of federal money under the AFDC employment special needs program in section 256.736, subdivision 8, and other programs that provide federal reimbursement for child care services for recipients of aid to families with dependent children who are in education, training, job search, or other activities allowed under those programs. Money appropriated under this section must be coordinated with the AFDC employment special needs program and other programs that provide federal reimbursement for child care services to accomplish this purpose. Federal reimbursement obtained must be allocated to the county that spent money for child care that is federally reimbursable under the AFDC employment special needs program or other programs that provide federal reimbursement for child care services. The counties shall use the federal money to expand services to AFDC recipients.

History: 1989 c 282 art 2 s 141

256H.03 BASIC SLIDING FEE PROGRAM.

Subdivision 1. Counties; notice of allocation. When the commissioner notifies county and human service boards of the forms and instructions they are to follow in the development of their biennial community social services plans required under section 256E.08, the commissioner shall also notify county and human services boards of their estimated child care fund program allocation for the two years covered by the plan. By June 1 of each year, the commissioner shall notify all counties of their final child care fund program allocation.

Subd. 1a. Waiting list. Each county that receives funds under this section and section 256H.05 must keep a written record and report to the commissioner the number of eligible families who have applied for a child care subsidy or have requested child care assistance. Counties shall perform a cursory determination of eligibility when a family requests information about child care assistance. A family that appears to be eligible must be put on a waiting list if funds are not immediately available. The waiting list must identify students in need of child care. When money is available counties shall expedite the processing of student applications during key enrollment periods.

Subd. 2. Allocation; limitations. The commissioner shall allocate 66 percent of the money appropriated under the child care fund for the basic sliding fee program and shall allocate those funds between the metropolitan area, comprising the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington, and the area outside the metropolitan area as follows:

(1) 50 percent of the money shall be allocated among the counties on the basis of the number of families below the poverty level, as determined from the most recent census or special census; and

(2) 50 percent of the money shall be allocated among the counties on the basis of the counties' portion of the AFDC caseload for the preceding state fiscal year.

If, under the preceding formula, either the seven-county metropolitan area consisting of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington counties or the area consisting of counties outside the seven-county metropolitan area is allocated more than 55 percent of the basic sliding fee funds, each county's allocation in that area shall be proportionally reduced until the total for the area is no more than 55 percent of the basic sliding fee funds. The amount of the allocations proportionally reduced shall be used to proportionally increase each county's allocation in the other area.

Subd. 2a. Eligible recipients. Families that meet the eligibility requirements under sections 256H.10 and 256H.11 are eligible for child care assistance under the basic sliding fee program. Counties shall make vendor payments to the child care provider or pay the parent directly for eligible child care expenses on a reimbursement basis.

Subd. 2b. Funding priority. (a) First priority for child care assistance under the basic sliding fee program must be given to eligible recipients who do not have a high school or general equivalency diploma or who need remedial and basic skill courses in order to pursue employment or to pursue education leading to employment. Priority for child care assistance under the basic sliding fee program must be given to non-AFDC families for this first priority unless a county can demonstrate that funds available in the AFDC child care program allocation are inadequate to serve all AFDC families needing child care services. Within this priority, the following subpriorities must be used:

- (1) child care needs of minor parents;
- (2) child care needs of parents under 21 years of age; and
- (3) child care needs of other parents within the priority group described in this paragraph.

(b) Second priority must be given to all other parents who are eligible for the basic sliding fee program.

Subd. 3. Review of use of funds; reallocation. After each quarter, the commissioner shall review the use of basic sliding fee program and AFDC child care program allocations by county. The commissioner may reallocate unexpended or unencumbered money among those counties who have expended their full allocation. Any unexpended money from the first year of the biennium may be carried forward to the second year of the biennium.

History: 1989 c 282 art 2 s 142

256H.04 [Repealed, 1989 c 282 art 2 s 219]

256H.05 AFDC CHILD CARE PROGRAM.

Subdivision 1. Notice of allocation. By June 1 of each year, the commissioner shall notify all county and human services boards of their allocation under the AFDC child care fund program.

Subd. 1a. County allocation; limitations. The commissioner shall allocate 34 percent of the money appropriated under the child care fund for the AFDC child care program and shall allocate those funds among the counties as follows:

(1) 50 percent of the funds shall be allocated to the counties based on the average number of AFDC caretakers less than 21 years of age and the average number of AFDC cases which were open 24 or more consecutive months during the preceding fiscal year; and

(2) 50 percent of the funds shall be allocated to the counties based on the average number of AFDC recipients for the preceding state fiscal year. For each fiscal year the AFDC caseloads shall be based on counts taken at three-month intervals during the 12-month period ending December 31 of the previous state fiscal year.

Subd. 1b. Eligible recipients. Families eligible for child care assistance under the AFDC child care program are families receiving AFDC and former AFDC recipients who, during their first year of employment, continue to require a child care subsidy in order to retain employment. The commissioner shall designate between 20 to 60

percent of the AFDC child care program as the minimum to be reserved for AFDC recipients in an educational program. If a family meets the eligibility requirements of the AFDC child care program and the caregiver has an approved employability plan that meets the requirements of appropriate federal reimbursement programs, that family is eligible for child care assistance.

Subd. 1c. Funding priority. Priority for child care assistance under the AFDC child care program shall be given to AFDC priority groups who are engaged in an employment or education program consistent with their employability plan. If the AFDC recipient is employed, the AFDC child care disregard shall be applied before the remaining child care costs are subsidized by the AFDC child care program. AFDC recipients leaving AFDC due to their earned income, who have been on AFDC three out of the last six months and who apply for child care assistance under subdivision 1b within the first year after leaving AFDC, shall be entitled to one year of child care subsidies during the first year of employment. AFDC recipients must be put on a waiting list for the basic sliding fee program when they leave AFDC due to their earned income.

Subd. 2. Cooperation with other programs. The county shall develop cooperative agreements with the employment and training service provider for coordination of child care funding with employment, training, and education programs for all AFDC recipients. The cooperative agreement shall specify that individuals receiving employment, training, and education services under an employability plan from the employment and training service provider shall, as resources permit, be guaranteed child care assistance from the county of their residence.

Subd. 3. Contracts; other uses allowed. Counties may contract for administration of the program or may arrange for or contract for child care funds to be used by other appropriate programs, in accordance with this section and as permitted by federal law and regulations.

Subd. 3a. AFDC child care program reallocation. The commissioner shall review the use of child care funds allocated under this section after every quarter. Priority for use of this money shall continue to be given to the AFDC priority groups.

The commissioner may reallocate to other counties AFDC child care program funds which a county has failed to encumber or expend according to the following procedure:

(a) Unexpended or unencumbered funds reserved for recipients in educational programs may be reallocated to counties that have expended their funds for recipients in educational programs.

(b) If any funds reserved for recipients in educational programs remain after this reallocation, or any funds remain unencumbered or unexpended from the entire AFDC child care program, the funds may be reallocated to counties that have expended their full allocation for the AFDC child care program.

(c) If any AFDC child care program funds remain after this reallocation, they may be reallocated to counties who have expended their full allocation for the basic sliding fee program.

Subd. 4. [Repealed, 1989 c 282 art 2 s 219]

Subd. 5. Federal reimbursement. Counties shall maximize their federal reimbursement under the AFDC special needs program or other federal reimbursement programs for money spent for persons listed in this section and section 256H.03. The commissioner shall allocate any federal earnings to the county to be used to expand child care services under these sections.

History: 1989 c 282 art 2 s 143

256H.06 [Repealed, 1989 c 282 art 2 s 219]

256H.07 Subdivision 1. [Repealed, 1989 c 293 s 85]

Subd. 2. [Repealed, 1989 c 282 art 2 s 219; 1989 c 293 s 85]

Subd. 3. [Repealed, 1989 c 282 art 2 s 219; 1989 c 293 s 85]

Subd. 4. [Repealed, 1989 c 282 art 2 s 219; 1989 c 293 s 85]

NOTE: Subdivision 1 was also amended by Laws 1989, chapter 282, article 2, section 144, to read as follows:

"Subdivision 1. **Allocation; use.** The higher education coordinating board will administer the non-AFDC post-secondary child care program utilizing the sliding fee scale developed by the department of human services. The board will determine eligibility for the child care subsidy based on family income and family size. For purposes of this determination, "income" means the income amount used to calculate eligibility for state scholarships and grants under section 136A.121. "Family size" means the family size used to calculate eligibility for state scholarships and grants under section 136A.121.

Students receiving subsidies shall:

- (1) choose providers utilizing a licensed or legal unlicensed provider that meets the needs of their family;
- (2) continue to receive a subsidy as long as they are eligible, to the limit of the allocation; and
- (3) receive a subsidy to cover all eligible hours of education and employment.

The higher education coordinating board shall consult with the commissioner to ensure a program comparable to the child care subsidy program administered by the commissioner."

256H.08 USE OF MONEY.

Money for persons listed in sections 256H.03, subdivision 2a, and 256H.05, subdivision 1b, shall be used to reduce the costs of child care for students, including the costs of child care for students while employed if enrolled in an eligible education program at the same time and making satisfactory progress towards completion of the program. Counties may not limit the duration of child care subsidies for a person in an employment or educational program, except when the person is found to be ineligible under the child care fund eligibility standards. Any limitation must be based on a person's employability plan in the case of an AFDC recipient, and county policies included in the child care allocation plan. Financially eligible students who have received child care assistance for one academic year shall be provided child care assistance in the following academic year if funds allocated under sections 256H.03 and 256H.05. If a student who is receiving AFDC child care assistance under this chapter moves to another county as specified in their employability plan, continues to be enrolled in a post-secondary institution, and continues to be eligible for AFDC child care assistance under this chapter, the student must receive continued child care assistance from their county of origin without interruption to the limit of the county's allocation.

History: 1989 c 282 art 2 s 145

256H.09 REPORTING AND PAYMENTS.

Subdivision 1. **Quarterly reports.** The commissioner shall specify requirements for reports, including quarterly fiscal reports, according to section 256.01, subdivision 2, paragraph (17). Counties shall submit on forms prescribed by the commissioner a quarterly financial and program activity report. The failure to submit a complete report by the end of the quarter in which the report is due may result in a reduction of child care fund allocations equal to the next quarter's allocation. The financial and program activity report must include:

- (1) a detailed accounting of the expenditures and revenues for the program during the preceding quarter by funding source and by eligibility group;
- (2) a description of activities and concomitant expenditures that are federally reimbursable under the AFDC employment special needs program and other federal reimbursement programs;
- (3) a description of activities and concomitant expenditures of child care money;
- (4) information on money encumbered at the quarter's end but not yet reimbursable, for use in adjusting allocations as provided in sections 256H.03, subdivision 3, and 256H.05, subdivision 1a; and
- (5) other data the commissioner considers necessary to account for the program or to evaluate its effectiveness in preventing and reducing participants' dependence on public assistance and in providing other benefits, including improvement in the care provided to children.

Subd. 2. **Quarterly payments.** The commissioner may make payments to each county in quarterly installments. The commissioner may certify an advance up to 25 percent of the allocation. Subsequent payments shall be made on a reimbursement basis for reported expenditures and may be adjusted for anticipated spending patterns. Payments may be withheld if quarterly reports are incomplete or untimely.

Subd. 3. **Child care fund plan.** Effective January 1, 1992, the county will include the plan required under this subdivision in its biennial community social services plan required in this section, for the group described in section 256E.03, subdivision 2, paragraph (h). For the period July 1, 1989, to December 31, 1991, the county shall submit separate child care fund plans required under this subdivision for the periods July 1, 1989, to June 30, 1990; and July 1, 1990, to December 31, 1991. The commissioner shall establish the dates by which the county must submit these plans. The county and designated administering agency shall submit to the commissioner an annual child care fund allocation plan. The plan shall include:

(1) a narrative of the total program for child care services, including all policies and procedures that affect eligible families and are used to administer the child care funds;

(2) the number of families that requested a child care subsidy in the previous year, the number of families receiving child care assistance, the number of families on a waiting list, and the number of families projected to be served during the fiscal year;

(3) the methods used by the county to inform eligible groups of the availability of child care assistance and related services;

(4) the provider rates paid for all children by provider type;

(5) the county prioritization policy for all eligible groups under the basic sliding fee program and AFDC child care program;

(6) a report of all funds available to be used for child care assistance, including demonstration of compliance with the maintenance of funding effort required under section 256H.12; and

(7) other information as requested by the department to ensure compliance with the child care fund statutes and rules promulgated by the commissioner.

The commissioner shall notify counties within 60 days of the date the plan is submitted whether the plan is approved or the corrections or information needed to approve the plan. The commissioner shall withhold a county's allocation until it has an approved plan. Plans not approved by the end of the second quarter after the plan is due may result in a 25 percent reduction in allocation. Plans not approved by the end of the third quarter after the plan is due may result in a 100 percent reduction in the allocation to the county. Counties are to maintain services despite any reduction in their allocation due to plans not being approved.

Subd. 4. **Termination of allocation.** The commissioner may withhold, reduce, or terminate the allocation of any county that does not meet the reporting or other requirements of this program. The commissioner shall reallocate to other counties money so reduced or terminated.

History: 1989 c 89 s 22; 1989 c 282 art 2 s 146

256H.10 FINANCIAL ELIGIBILITY.

[For text of subs 1 and 2, see M.S.1988]

Subd. 3. **Priorities; allocations.** If more than 75 percent of the available money is provided to any one of the groups described in section 256H.03 or 256H.05, the county board shall document to the commissioner the reason the group received a disproportionate share unless approved in the plan. If a county projects that its child care allocation is insufficient to meet the needs of all eligible groups, it may prioritize among the groups that remain to be served after the county has complied with the priority requirements of sections 256H.03 and 256H.05. Counties that have established a priority must submit the priority in the annual allocation plan.

[For text of subd 4, see M.S.1988]

Subd. 5. **Provider choice.** Parents may choose child care providers as defined under section 256H.01, subdivision 12, that best meet the needs of their family. Counties shall make resources available to parents in choosing quality child care services. Counties may require a parent to sign a release stating their knowledge and responsibilities in choosing a legal provider described under section 256H.01, subdivision 12. When a county knows that a particular provider is unsafe, or that the circumstances of the child care arrangement chosen by the parent are unsafe, the county may deny a child care subsidy. A county may not restrict access to a general category of provider allowed under section 256H.01, subdivision 12.

History: 1989 c 282 art 2 s 147,148

256H.11 EMPLOYMENT OR TRAINING ELIGIBILITY.

Subdivision 1. **Assistance for persons seeking and retaining employment.** Persons who are seeking employment and who are eligible for assistance under this section are eligible to receive the equivalent of one month of child care. Employed persons who work at least ten hours a week and receive at least a minimum wage for all hours worked are eligible for continued child care assistance.

Subd. 2. **Financial eligibility required.** Persons participating in employment programs, training programs, or education programs are eligible for continued assistance from the child care fund, if they are financially eligible under the sliding fee scale set by the commissioner in section 256H.14.

History: 1989 c 282 art 2 s 149

256H.12 COUNTY CONTRIBUTION.

Subdivision 1. **County contributions required.** In addition to payments from parents, counties shall contribute from county tax or other sources a minimum of 15 percent of the cost of the basic sliding fee program. The commissioner shall recover funds from the county as necessary to bring county expenditures into compliance with this subdivision.

Subd. 2. **Federal money; state recovery.** The commissioner shall recover from counties any state or federal money that was spent for persons found to be ineligible. If a federal audit exception is taken based on a percentage of federal earnings, all counties shall pay a share proportional to their respective federal earnings during the period in question.

Subd. 3. **Maintenance of funding effort.** To receive money through this program, each county shall certify, in its annual plan to the commissioner, that the county has not reduced allocations from other federal, state, and county sources, which, in the absence of the child care fund, would have been available for child care assistance.

History: 1989 c 282 art 2 s 150

256H.13 [Repealed, 1989 c 282 art 2 s 219; 1989 c 293 s 85]

256H.15 CHILD CARE RATES.

Subdivision 1. **Subsidy restrictions.** The county board may limit the subsidy allowed by setting a maximum on the provider child care rate that the county shall subsidize. The maximum rate set by any county shall not be lower than 110 percent or higher than 125 percent of the median rate in that county for like care arrangements for all types of care, including special needs and handicapped care, as determined by the commissioner. If the county sets a maximum rate, it must pay the provider's rate for each child receiving a subsidy, up to the maximum rate set by the county. In order to be reimbursed for more than 110 percent of the median rate, a provider with employees must pay wages for teachers, assistants, and aides that are more than 110 percent of the county average rate for child care workers. If a county does not set a

maximum provider rate, it shall pay the provider's rate for every child in care. The maximum state payment is 125 percent of the median provider rate. If the county has not set a maximum provider rate and the provider rate is greater than 125 percent of the median provider rate in the county, the county shall pay the amount in excess of 125 percent of the median provider rate from county funding sources. When the provider charge is greater than the maximum provider rate set by the county, the parent is responsible for payment of the difference in the rates in addition to any family copayment fee.

Subd. 2. Provider rate bonus for accreditation. Currently accredited child care centers shall be paid a five percent bonus above the maximum rate established by the county in subdivision 1, if the center can demonstrate that its staff wages are greater than 110 percent of the average wages in the county for similar care, up to the actual provider rate. A family day care provider shall be paid a five percent bonus above the maximum rate established by the county in subdivision 1, if the provider holds a current child development associate certificate, up to the actual provider rate. A county is not required to review wages under this subdivision unless the county has set a maximum above 110 percent for all providers with employees in their county.

Subd. 3. Provider rate for care of children with handicaps or special needs. Counties shall reimburse providers for the care of children with handicaps or special needs, at a special rate to be set by the county for care of these children, subject to the approval of the commissioner.

History: 1989 c 282 art 2 s 151

256H.18 ADMINISTRATIVE EXPENSES.

A county may not use more than seven percent of its allocation for administrative expenses under the basic sliding fee program.

History: 1989 c 282 art 2 s 152

256H.20 GRANTS FOR SCHOOL AGE CHILD CARE PROGRAMS AND CHILD CARE RESOURCE AND REFERRAL PROGRAMS.

[For text of subs 1 and 2, see M.S.1988]

Subd. 3. Program services. The commissioner may make grants to public or private nonprofit entities to fund child care resource and referral programs. Child care resource and referral programs must serve a defined geographic area.

Subd. 3a. Grant requirements and priority. Priority for awarding resource and referral grants shall be given in the following order:

- (1) start up resource and referral programs in areas of the state where they do not exist; and
- (2) improve resource and referral programs.

Resource and referral programs shall meet the following requirements:

(a) Each program shall identify all existing child care services through information provided by all relevant public and private agencies in the areas of service, and shall develop a resource file of the services which shall be maintained and updated at least quarterly. These services must include family day care homes; public and private day care programs; full-time and part-time programs; infant, preschool, and extended care programs; and programs for school age children.

The resource file must include: the type of program, hours of program service, ages of children served, fees, location of the program, eligibility requirements for enrollment, special needs services, and transportation available to the program. The file may also include program information and special program features.

(b) Each program shall establish a referral process which responds to parental need for information and which fully recognizes confidentiality rights of parents. The referral process must afford parents maximum access to all referral information. This access must include telephone referral available for no less than 20 hours per week.

Each child care resource and referral agency shall publicize its services through popular media sources, agencies, employers, and other appropriate methods.

(c) Each program shall maintain ongoing documentation of requests for service. All child care resource and referral agencies must maintain documentation of the number of calls and contacts to the child care information and referral agency or component. A program shall collect and maintain the following information:

- (1) ages of children served;
- (2) time category of child care request for each child;
- (3) special time category, such as nights, weekends, and swing shift; and
- (4) reason that the child care is needed.

(d) Each program shall make available the following information as an educational aid to parents:

(1) information on aspects of evaluating the quality and suitability of child care services, including licensing regulation, financial assistance available, child abuse reporting procedures, appropriate child development information;

(2) information on available parent, early childhood, and family education programs in the community.

(e) On or after one year of operation a program shall provide technical assistance to employers and existing and potential providers of all types of child care services. This assistance shall include:

(1) information on all aspects of initiating new child care services including licensing, zoning, program and budget development, and assistance in finding information from other sources;

(2) information and resources which help existing child care providers to maximize their ability to serve the children and parents of their community;

(3) dissemination of information on current public issues affecting the local and state delivery of child care services;

(4) facilitation of communication between existing child care providers and child-related services in the community served;

(5) recruitment of licensed providers; and

(6) options, and the benefits available to employers utilizing the various options, to expand child care services to employees.

Services prescribed by this section must be designed to maximize parental choice in the selection of child care and to facilitate the maintenance and development of child care services and resources.

(f) Child care resource and referral information must be provided to all persons requesting services and to all types of child care providers and employers.

(g) Public or private entities may apply to the commissioner for funding. The maximum amount of money which may be awarded to any entity for the provision of service under this subdivision is \$60,000 per year. A local match of up to 25 percent is required.

[For text of subd 4, see M.S.1988]

History: 1989 c 282 art 2 s 153

256H.21 CHILD CARE SERVICES GRANT DEFINITIONS.

Subdivision 1. **Definitions.** As used in sections 256H.20 to 256H.23, the words defined in this section shall have the meanings given them.

Subd. 2. **Child.** "Child" means a person 12 years old or younger, or a person age 13 or 14 who is handicapped, as defined in section 120.03.

Subd. 3. **Child care.** "Child care" means the care of a child by someone other than a parent or legal guardian outside the child's own home for gain or otherwise, on a regular basis, for any part of a 24-hour day.

Subd. 4. **Child care services.** "Child care services" means child care provided in family day care homes, group day care homes, nursery schools, day nurseries, child day care centers, head start, and extended day school age child care programs.

Subd. 5. **Child care worker.** "Child care worker" means a person who cares for children for compensation, including a licensed provider of child care services, an employee of a provider, a person who has applied for a license as a provider, or a person who meets the standards established by the state board of education.

Subd. 6. **Commissioner.** "Commissioner" means the commissioner of human services.

Subd. 7. **Facility improvement expenses.** "Facility improvement expenses" means funds for building improvements, equipment, toys, and supplies needed to establish, expand, or improve a licensed child care facility or a child care program under the jurisdiction of the state board of education.

Subd. 8. **Interim financing.** "Interim financing" means funds to carry out such activities as are necessary for family day care homes, group family day care homes, and child care centers to receive and maintain state licensing, to expand an existing program or to improve program quality, and to provide operating funds for a period of six consecutive months after a family day care home, group family day care home, or child care center becomes licensed or satisfies standards of the state board of education. Interim financing may not exceed a period of 18 months.

Subd. 9. **Mini-grants.** "Mini-grants" means child care grants for facility improvements that are less than \$1,000. Mini-grants include, but are not limited to, improvements to meet licensing requirements, improvements to expand a child care facility or program, toys and equipment, start-up costs, staff training, and development costs.

Subd. 10. **Resource and referral program.** "Resource and referral program" means a program that provides information to parents, including referrals and coordination of community child care resources for parents and public or private providers of care. Services may include parent education, technical assistance for providers, staff development programs, and referrals to social services.

Subd. 11. **Staff training or development expenses.** "Staff training or development expenses" include the cost to a child care worker of tuition, transportation, required materials and supplies, and wages for a substitute while the child care worker is engaged in a training program.

Subd. 12. **Training program.** "Training program" means child development courses offered by an accredited post-secondary institution or similar training approved by a county board or the department of human services. To qualify as a training program under this section, a course of study must teach specific skills that meet licensing requirements or requirements of the state board of education.

History: 1989 c 282 art 2 s 154

256H.22 CHILD CARE SERVICES GRANTS.

Subdivision 1. **Grants established.** The commissioner shall award grants to develop child care services, including facility improvement expenses, interim financing, resource and referral programs, and staff training expenses. Child care services grants may include mini-grants up to \$1,000. The commissioner shall develop a grant application form, inform county social service agencies about the availability of child care services grants, and set a date by which applications must be received by the commissioner.

The commissioner may renew grants to existing resource and referral agencies that have met state standards and have been designated as the child care resource and referral service for a particular geographical area. The recipients of renewal grants are exempt from the proposal review process.

Subd. 2. **Distribution of funds.** (a) The commissioner shall allocate grant money appropriated for child care service (development and resource and referral services) among the development regions designated by the governor under section 462.385, as follows:

(1) 50 percent of the child care service development grant appropriation shall be allocated to the metropolitan area; and

(2) 50 percent of the child care service development grant appropriation shall be allocated to greater Minnesota counties.

(b) The following formulas shall be used to allocate grant appropriations among the counties:

(1) 50 percent of the funds shall be allocated in proportion to the ratio of children under 12 years of age in each county to the total number of children under 12 years of age in all counties; and

(2) 50 percent of the funds shall be allocated in proportion to the ratio of children under 12 years of age in each county to the number of licensed child care spaces currently available in each county.

(c) Out of the amount allocated for each development region and county, the commissioner shall award grants based on the recommendation of the grant review advisory task force. In addition, the commissioner shall award no more than 75 percent of the money either to child care facilities for the purpose of facility improvement or interim financing or to child care workers for staff training expenses. The commissioner shall award no more than 50 percent of the money for resource and referral services to maintain or improve an existing resource and referral until all regions are served by resource and referral programs.

(d) Any funds unobligated may be used by the commissioner to award grants to proposals that received funding recommendations by the advisory task force but were not awarded due to insufficient funds.

Subd. 3. Child care regional advisory committees. Child care regional advisory committees shall review and make recommendations to the commissioner on applications for service development grants under this section. The commissioner shall appoint the child care regional advisory committees in each governor's economic development regions. People appointed under this subdivision must represent the following constituent groups: family child care providers, group center providers, parent users, health services, social services, public schools, and other citizens with demonstrated interest in child care issues. Members of the advisory task force with a direct financial interest in a pending grant proposal may not provide a recommendation or participate in the ranking of that grant proposal. Committee members may be reimbursed for their actual travel expenses for up to six committee meetings per year. The child care regional advisory committees shall complete their reviews and forward their recommendations to the commissioner by the date specified by the commissioner.

Subd. 4. Purposes for which a child care services grant may be awarded. The commissioner may award grants for any of the following purposes:

(1) for creating new licensed day care facilities and expanding existing facilities, including, but not limited to, supplies, equipment, facility renovation, and remodeling;

(2) for improving licensed day care facility programs, including, but not limited to, staff specialists, staff training, supplies, equipment, and facility renovation and remodeling. In awarding grants for training, priority must be given to child care workers caring for infants, toddlers, sick children, children in low-income families, and children with special needs;

(3) for supportive child development services including, but not limited to, in-service training, curriculum development, consulting specialist, resource centers, and program and resource materials;

(4) for carrying out programs including, but not limited to, staff, supplies, equipment, facility renovation, and training;

(5) for interim financing; and

(6) for carrying out the resource and referral program services identified in section 256H.20, subdivision 3.

Subd. 5. Funding priorities; facility improvement and interim financing. In evaluat-

ing applications for funding and making recommendations to the commissioner, the grant review advisory task force shall rank and give priority to:

(1) new programs or projects, or the expansion or improvement of existing programs or projects in areas where a demonstrated need for child care facilities has been shown, with special emphasis on programs or projects in areas where there is a shortage of licensed child care;

(2) new programs and projects, or the expansions or enrichment of existing programs or projects that serve sick children, infants or toddlers, children with special needs, and children from low-income families;

(3) unlicensed providers who wish to become licensed; and

(4) improvement of existing programs.

Subd. 6. Funding priorities; training grants. In evaluating applications for training grants and making recommendations to the commissioner, the grant review advisory task force shall give priority to:

(1) applicants who will work in facilities caring for sick children, infants, toddlers, children with special needs, and children from low-income families;

(2) applicants who will work in geographic areas where there is a shortage of child care;

(3) unlicensed providers who wish to become licensed;

(4) child care programs seeking accreditation and child care providers seeking certification; and

(5) entities that will use grant money for scholarships for child care workers attending educational or training programs sponsored by the entity.

Subd. 7. Eligible grant recipients. Eligible recipients of child care grants are licensed providers of child care, or those in the process of being licensed, resource and referral programs, or corporations or public agencies, or any combination thereof. With the exception of mini-grants, priority for child care grants shall be given to grant applicants as follows:

(1) public and private nonprofit agencies;

(2) employer-based child care centers;

(3) for-profit child care centers; and

(4) family day care providers.

Subd. 8. Grant match requirements. Child care grants for facility improvements, interim financing, resource and referral, and staff training and development require a 25 percent local match by the grant applicant. A local match is not required for a mini-grant.

Subd. 9. Child care mini-grants. Mini-grants for child care service development must be used by the grantee for facility improvements, including, but not limited to, improvements to meet licensing requirements, improvements to expand the facility, toys and equipment, start-up costs, interim financing, or staff training and development. Priority for child care mini-grants shall be given to grant applicants as follows:

(1) family day care providers;

(2) public and private nonprofit agencies;

(3) employer-based child care centers; and

(4) for-profit child care centers.

Subd. 10. Advisory task force. The commissioner shall convene a statewide advisory task force which shall advise the commissioner on grants and other child care issues. The statewide advisory task force shall review and make recommendations to the commissioner on child care resource and referral grants and on statewide child care training grants. Members of the advisory task force with a direct financial interest in a resource and referral or a statewide training proposal may not provide a recommendation or participate in the ranking of that grant proposal. Each regional grant review committee formed under subdivision 3, shall appoint a representative to the advisory

task force. The commissioner may convene meetings of the task force as needed. Terms of office and removal from office are governed by the appointing body. The commissioner may compensate members for their expenses of travel to meetings of the task force. The members of the child care advisory task force shall also meet once with the interagency advisory committee on child care under section 256H.25.

Subd. 11. **Advisory committee costs.** The commissioner may use money appropriated for services under this section for administrative expenses associated with advisory committees and task forces authorized by this section.

History: 1989 c 282 art 2 s 155

256H.23 OTHER AUTHORIZATION TO MAKE GRANTS.

Subdivision 1. **Authority.** In addition to the commissioner's authority to make child care services grants, the county board is authorized to provide child care services, or to make grants from the community social service fund, special tax revenue, or its general fund, or other sources to any municipality, corporation, or combination thereof, for the cost of providing technical assistance and child care services. The county board is also authorized to contract for services with any licensed day care facility, as the board deems necessary or proper to carry out the purposes of this section.

The county board may also make grants to or contract with any municipality, licensed child care facility, or resource and referral program, or corporation or combination thereof, for any of the following purposes:

(1) creating new licensed day care facilities and expanding existing facilities including, but not limited to, supplies, equipment, and facility renovation and remodeling;

(2) improving licensed day care facility programs, including, but not limited to, staff specialists, staff training, supplies, equipment, and facility renovation and remodeling. In awarding grants for training, counties must give priority to child care workers caring for infants, toddlers, sick children, children in low-income families, and children with special needs;

(3) supportive child development services, including, but not limited to, in-service training, curriculum development, consulting specialists, resource centers, and program and resource materials;

(4) carrying out programs, including, but not limited to, staff, supplies, equipment, facility renovation, and training;

(5) interim financing; and

(6) carrying out the resource and referral program services identified in section 256H.20, subdivision 3.

Subd. 2. **Donated materials and services; matching share of cost.** For the purposes of this section, donated professional and volunteer services, program materials, equipment, supplies, and facilities may be approved as part of a matching share of the cost, provided that total costs shall be reduced by the costs charged to parents if a sliding fee scale has been used.

Subd. 3. **Biennial plan.** The county board shall biennially develop a plan for the distribution of money for child care services as part of the community social services plan described in section 256E.09. All licensed child care programs shall be given written notice concerning the availability of money and the application process.

History: 1989 c 282 art 2 s 156

256H.24 DUTIES OF COMMISSIONER.

In addition to the powers and duties already conferred by law, the commissioner of human services shall:

(1) by September 1, 1990, and by September 1 of each subsequent even-numbered year, survey and report on all components of the child care system, including, but not limited to, availability of licensed child care slots, the number of children in various kinds of child care settings, staff wages, rate of staff turnover, qualifications of child care

workers, cost of child care by type of service and ages of children, and child care availability through school systems;

(2) by September 1, 1990, and September 1 of each subsequent even-numbered year, survey and report on the extent to which existing child care services fulfill the need for child care, giving particular attention to the need for part-time care and for care of infants, sick children, children with special needs, low-income children, toddlers, and school-age children;

(3) administer the child care fund, including the sliding fee program authorized under sections 256H.01 to 256H.19;

(4) monitor the child care resource and referral programs established under section 256H.20; and

(5) encourage child care providers to participate in a nationally recognized accreditation system for early childhood programs. The commissioner shall reimburse licensed child care providers for one-half of the direct cost of accreditation fees, upon successful completion of accreditation.

History: 1989 c 282 art 2 s 157

256H.25 INTERAGENCY ADVISORY COMMITTEE ON CHILD CARE.

Subdivision 1. Membership. By January 1, 1990, the commissioner of the state planning agency shall convene and chair an interagency advisory committee on child care. In addition to the commissioner, members of the committee are the commissioners of each of the following agencies and departments: health, human services, jobs and training, public safety, education, and the higher education coordinating board. The purpose of the committee is to improve the quality and quantity of child care and the coordination of child care related activities among state agencies.

Subd. 2. Duties. The committee shall advise its member agencies on matters related to child care policy and planning. Specifically, the committee shall:

(1) develop a consistent policy on issues related to child care;

(2) advise the member agencies on implementing policies and developing rules that are consistent with the committee's policy on child care;

(3) advise the member agencies on state efforts to increase the supply and improve the quality of child care facilities and options; and

(4) perform other advisory tasks related to improving child care options throughout the state.

Subd. 3. Meetings. The committee shall meet as often as necessary to perform its duties. The committee shall meet at least once per year with the members of the child care advisory task force.

History: 1989 c 282 art 2 s 158

256H.26 CHILD CARE INFORMATION SERVICE.

The commissioner shall establish, on a pilot project basis, a toll-free information service for child care providers, potential providers, and parents to assist callers to find existing child care services at the state or local level and to facilitate expansion and marketing of child care services. The telephone must be staffed during regular business hours to respond promptly to questions and during regular business hours to respond promptly to questions and concerns. The information and assistance must be made available free to all callers. The commissioner shall report to the legislature by January 1, 1991, on the effectiveness of this service and shall recommend how and by whom the operation should be administered. The commissioner shall consult with local resource and referral agencies, both public and private, in making its recommendations. The commissioner may use money appropriated for child care resource and referral grants for the administrative costs incurred under this section.

History: 1989 c 282 art 2 s 159