



Children and Family Services, Child Care Assistance Program

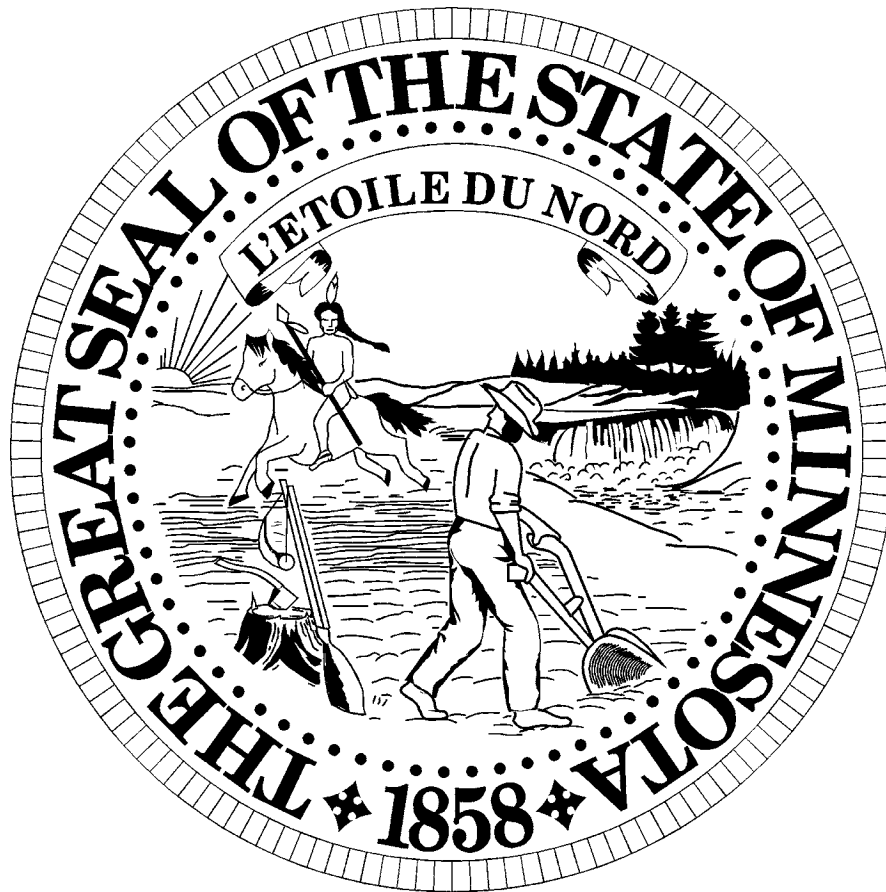
Proposed Amendment to Rules Governing the Child Care Assistance Program, *Minnesota Rules*, Parts 3400.0010 through 3400.0235; Revisor's ID 4560

OAH Docket number 82-9029-35572

EXHIBIT E-2: DUAL NOTICE OF INTENT TO ADOPT RULES AS PUBLISHED IN THE STATE REGISTER ON JUNE 13, 2022 (46 SR 1411)

Minnesota State Register

Published every Monday (Tuesday when Monday is a holiday)



**Proposed, Adopted, Emergency, Expedited, Withdrawn, Vetoed Rules;
Executive Orders; Appointments; Commissioners' Orders; Revenue Notices;
Official Notices; State Grants & Loans; State Contracts; Non-State Public Bids,
Contracts and Grants**

**Monday 13 June 2022
Volume 46, Number 50
Pages 1407 - 1484**

Minnesota State Register

Judicial Notice Shall Be Taken of Material Published in the Minnesota State Register

The Minnesota State Register is the official publication of the State of Minnesota's Executive Branch of government, published weekly to fulfill the legislative mandate set forth in Minnesota Statutes, Chapter 14, and Minnesota Rules, Chapter 1400. It contains:

- Proposed Rules
- Adopted Rules
- Exempt Rules
- Expedited Rules
- Withdrawn Rules
- Executive Orders of the Governor
- Appointments
- Proclamations
- Vetoed Rules
- Commissioners' Orders
- Revenue Notices
- Official Notices
- State Grants and Loans
- Contracts for Professional, Technical and Consulting Services
- Non-State Public Bids, Contracts and Grants

Printing Schedule and Submission Deadlines

Vol. 46 Issue Number	Publish Date	Deadline for: all Short Rules, Executive and Commissioner's Orders, Revenue and Official Notices, State Grants, Professional-Technical- Consulting Contracts, Non-State Bids and Public Contracts	Deadline for LONG, Complicated Rules (contact the editor to negotiate a deadline)
#51	Monday 20 June	Noon Tuesday 14 June	Noon Thursday 9 June
#52	Monday 27 June	Noon Tuesday 21 June	Noon Thursday 16 June
#1	Tuesday 5 July	Noon Tuesday 28 June	Noon Thursday 23 June
#2	Monday 11 July	Noon Tuesday 5 July	Noon Thursday 30 June

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MN Judicial Center, Rm. 135,
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U.S. Government Printing Office – Fax: (202) 512-1262
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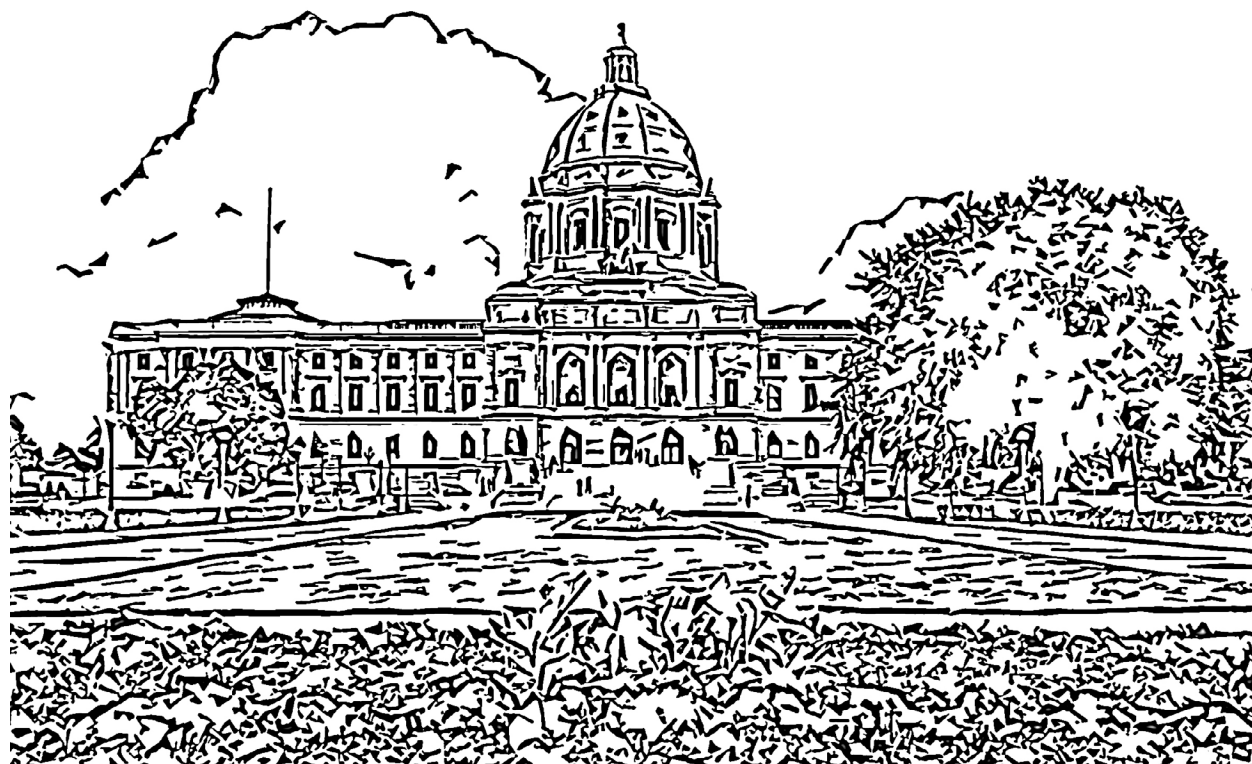
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NOTICE: How to Follow State Agency Rulemaking in the State Register

The State Register is the official source, and only complete listing, for all state agency rulemaking in its various stages. State agencies are required to publish notice of their rulemaking action in the State Register. Published every Monday, the State Register makes it easy to follow and participate in the important rulemaking process. Approximately 80 state agencies have the authority to issue rules. Each agency is assigned specific Minnesota Rule chapter numbers. Every odd-numbered year the Minnesota Rules are published. Supplements are published to update this set of rules. Generally speaking, proposed and adopted exempt rules do not appear in this set because of their short-term nature, but are published in the State Register.

An agency must first solicit Comments on Planned Rules or Comments on Planned Rule Amendments from the public on the subject matter of a possible rulemaking proposal under active consideration within the agency (Minnesota Statutes §§ 14.101). It does this by publishing a notice in the State Register at least 60 days before publication of a notice to adopt or a notice of hearing, or within 60 days of the effective date of any new statutory grant of required rulemaking.

When rules are first drafted, state agencies publish them as Proposed Rules, along with a notice of hearing, or a notice of intent to adopt rules without a hearing in the case of noncontroversial rules. This notice asks for comment on the rules as proposed. Proposed emergency rules, and withdrawn proposed rules, are also published in the State Register. After proposed rules have gone through the comment period, and have been rewritten into their final form, they again appear in the State Register as Adopted Rules. These final adopted rules are not printed in their entirety, but only the changes made since their publication as Proposed Rules. To see the full rule, as adopted and in effect, a person simply needs two issues of the State Register, the issue the rule appeared in as proposed, and later as adopted.

The State Register features partial and cumulative listings of rules in this section on the following schedule: issues #1-26 inclusive (issue #26 cumulative for issues #1-26); issues #27-52 inclusive (issue #52, cumulative for issues #27-52 or #53 in some years). A subject matter index is updated weekly and is available upon request from the editor. For copies or subscriptions to the State Register, contact the editor at 651-201-3204 or email at sean.plemmons@state.mn.us

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Comments on Planned Rules or Rule Amendments. An agency must first solicit Comments on Planned Rules or Comments on Planned Rule Amendments from the public on the subject matter of a possible rulemaking proposal under active consideration within the agency (*Minnesota Statutes* §§ 14.101). It does this by publishing a notice in the *State Register* at least 60 days before publication of a notice to adopt or a notice of hearing, and within 60 days of the effective date of any new statutory grant of required rulemaking.

Rules to be Adopted After a Hearing. After receiving comments and deciding to hold a public hearing on the rule, an agency drafts its rule. It then publishes its rules with a notice of hearing. All persons wishing to make a statement must register at the hearing. Anyone who wishes to submit written comments may do so at the hearing, or within five working days of the close of the hearing. Administrative law judges may, during the hearing, extend the period for receiving comments up to 20 calendar days. For five business days after the submission period the agency and interested persons may respond to any new information submitted during the written submission period and the record then is closed. The administrative law judge prepares a report within 30 days, stating findings of fact, conclusions and recommendations. After receiving the report, the agency decides whether to adopt, withdraw or modify the proposed rule based on consideration of the comments made during the rule hearing procedure and the report of the administrative law judge. The agency must wait five days after receiving the report before taking any action.

Rules to be Adopted Without a Hearing. Pursuant to *Minnesota Statutes* § 14.22, an agency may propose to adopt, amend, suspend or repeal rules without first holding a public hearing. An agency must first solicit **Comments on Planned Rules** or **Comments on Planned Rule Amendments** from the public. The agency then publishes a notice of intent to adopt rules without a public hearing, together with the proposed rules, in the *State Register*. If, during the 30-day comment period, 25 or more persons submit to the agency a written request for a hearing of the proposed rules, the agency must proceed under the provisions of §§ 14.1414.20, which state that if an agency decides to hold a public hearing, it must publish a notice of intent in the *State Register*.

KEY: Proposed Rules - Underlining indicates additions to existing rule language. ~~Strikeouts~~ indicate deletions from existing rule language. If a proposed rule is totally new, it is designated “all new material.” **Adopted Rules** - Underlining indicates additions to proposed rule language. ~~Strikeout~~ indicates deletions from proposed rule language.

Department of Human Services

Children and Family Services Administration, Child Care Services

Proposed Permanent Rules Relating to Child Care Assistance Program; DUAL NOTICE: Notice of Intent to Adopt Rules Without a Public Hearing Unless 25 or More Persons Request a Hearing, and Notice of Hearing if 25 or More Requests for Hearing Are Received; Revisor’s ID Number 4560

Proposed Amendment to Rules Governing the Child Care Assistance Program, *Minnesota Rules*, Parts 3400.0010 through 3400.0235

Introduction. The Department of Human Services intends to adopt rules without a public hearing following the procedures in the rules of the Office of Administrative Hearings, *Minnesota Rules*, parts 1400.2300 to 1400.2310, and the Administrative Procedure Act, *Minnesota Statutes*, sections 14.22 to 14.28. If, however, 25 or more persons submit a written request for a hearing on the rules by 4:30 p.m. on Wednesday, July 20, 2022, the Department will hold will hold a virtual public hearing on the proposed rule changes. **An Administrative Law Judge will conduct the hearing** starting at 9:30 a.m. on Wednesday, August 3, 2022, and continuing until the hearing is completed. To find out whether the Department will adopt the rules without a hearing or if it will hold the hearing, you should contact the agency contact person after July 20, 2022 and before August 3, 2022.

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For video and audio connection to the virtual hearing, join through an internet connection, such as with a computer or tablet:

Enter <https://minnesota.webex.com>
 Event number (access code): 2490 165 8505
 Event password: 9xBdDyTjN38

For audio connection only, join the hearing by phone:

Call: 1-415-655-0003 (US Toll)
 Access code: 2490 165 8505

Agency Contact Person. Submit any comments or questions on the rules or written requests for a public hearing to the agency contact person. The agency contact person is:

Vanessa Vogl
 Minnesota Department of Human Services
 Administrative Law Office
 PO Box 64254
 Saint Paul, MN 55164-0254
 Email: Vanessa.Vogl@state.mn.us
 Phone: 651-431-3168

TTY users may call the Department at (800) 627-3529. You may also review the proposed rule and submit written comments via the *Office of Administrative Hearings Rulemaking eComments website* <https://minnesotaoah.granicusideas.com/discussions> .]

Subject of Rules and Statutory Authority. The proposed rules are about the Child Care Assistant Program (CCAP). During the 2017 legislative session, many changes were made to CCAP. Most of the changes were required under the Child Care and Development Block Grant (CCDBG) Act of 2014. The Department is amending the rules to align with these federal and state statutory changes, adding clarity and consistency. The proposed amendments focus on providing equal access to stable child care for low-income children and strengthening requirements to protect the health and safety of children in child care and receiving CCAP funding. The amendments address determination of income for eligibility, frequency of redetermination, determination of copayments, maintaining consistent child care authorizations for children, reporting responsibilities for participants, provider requirements, and payment policies.

Minnesota Statutes, sections 119B.02, subdivisions 1 and 3; 119B.04, subdivision 2; and 119B.06, subdivision 2, authorize DHS to adopt rules for administering CCAP, the child care development fund, and CCDBG. A copy of the proposed rules is published in the *State Register* and available on the Department's website at <https://mn.gov/dhs/partners-and-providers/policies-procedures/rulemaking/>. A free copy of the rules is available upon request from Vanessa Vogl at the contact information listed above.

Comments. You have until 4:30 p.m. on Wednesday, July 20, 2022, to submit written comment in support of or in opposition to the proposed rules or any part or subpart of the rules. Your comment must be in writing and received by Vanessa Vogl by the due date. Comment is encouraged. Your comments should identify the portion of the proposed rules addressed, the reason for the comment, and any change proposed. You are encouraged to propose any change that you desire. Any comments that you have about the legality of the proposed rules must also be made during this comment period.

Request for a Hearing. In addition to submitting comments, you may also request that the Department hold a hearing on the rules. You must make your request for a public hearing in writing, which Vanessa Vogl must receive by 4:30 p.m. on Wednesday, July 20, 2022. You must include your name and address in your written request. In addition, you must identify the portion of the proposed rules that you object to or state that you oppose the entire set of rules. Any request that does not comply with these requirements is not valid and the agency cannot count it when determining

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whether it must hold a public hearing. You are also encouraged to state the reason for the request and any changes you want made to the proposed rules.

Withdrawal of Requests. If 25 or more persons submit a valid written request for a hearing, the Department will hold a public hearing unless a sufficient number of persons withdraw their requests in writing. If enough requests for hearing are withdrawn to reduce the number below 25, the agency must give written notice of this to all persons who requested a hearing, explain the actions the agency took to effect the withdrawal, and ask for written comments on this action. If a public hearing is required, the agency will follow the procedures in *Minnesota Statutes*, sections 14.131 to 14.20.

Alternative Format/Accommodation. Upon request, this information can be made available in an alternative format, such as large print, braille, or audio. To make such a request or if you need an accommodation to make this hearing accessible, please contact Vanessa Vogl at the email or telephone number listed above.

Modifications. The Department might modify the proposed rules, either as a result of public comment or as a result of the rule hearing process. It must support modifications by data and views submitted to the agency or presented at the hearing. The adopted rules may not be substantially different than these proposed rules unless the Department follows the procedure under *Minnesota Rules*, part 1400.2110. If the proposed rules affect you in any way, the Department encourages you to participate in the rulemaking process.

Cancellation of Hearing. The Department will cancel the hearing scheduled for August 3, 2022 if the agency does not receive requests for a hearing from 25 or more persons. If you requested a public hearing, the agency will notify you before the scheduled hearing whether the hearing will be held. You may also contact Vanessa Vogl after July 20, 2022 to find out whether the hearing will be held.

Notice of Hearing. If 25 or more persons submit valid written requests for a public hearing on the rules, the Department will hold a hearing following the procedures in *Minnesota Statutes*, sections 14.131 to 14.20. The Department will hold the hearing on the date and at the time and place listed above. The hearing will continue until all interested persons have been heard. Administrative Law Judge Barbara Case is assigned to conduct the hearing. Judge Case can be reached at the Office of Administrative Hearings, 600 North Robert Street, P.O. Box 64620, Saint Paul, Minnesota 55164-0620, telephone (651) 361-7875, and fax (651) 539-0310.

Hearing Procedure. If the Department holds a hearing, you and all interested or affected persons, including representatives of associations or other interested groups, will have an opportunity to participate. You may present your views either orally at the hearing or in writing at any time before the hearing record closes. All evidence presented should relate to the proposed rules. You may also submit written material to the Administrative Law Judge to be recorded in the hearing record for five working days after the public hearing ends. At the hearing the Administrative Law Judge may order that this five-day comment period is extended for a longer period but not more than 20 calendar days. Following the comment period, there is a five-working-day rebuttal period when the agency and any interested person may respond in writing to any new information submitted. No one may submit new evidence during the five-day rebuttal period.

All post-hearing comments and responses must be submitted to the Administrative Law Judge no later than 4:30 p.m. on the due date. The Office of Administrative Hearings strongly encourages all persons submitting comments and responses to do so using the *Administrative Hearings' Rulemaking eComments website* <https://minnesotaoah.granicusideas.com/discussions>. If using the eComments website is not possible, you may submit post-hearing comments in person, via United States mail, or by facsimile addressed to Judge Case at the address or facsimile number listed in the Notice of Hearing section above.

All comments or responses received will be available for review at the Department of Human Services or on the agency's website at <https://mn.gov/dhs/partners-and-providers/policies-procedures/rulemaking/>. This rule hearing procedure is governed by *Minnesota Rules*, parts 1400.2000 to 1400.2240, and *Minnesota Statutes*, sections 14.131 to 14.20. You may direct questions about the procedure to the Administrative Law Judge.

Statement of Need and Reasonableness. The statement of need and reasonableness summarizes the justification for

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the proposed rules, including a description of who will be affected by the proposed rules and an estimate of the probable cost of the proposed rules. You may review or obtain copies for the cost of reproduction (if any) by contacting Vanessa Vogl. The SONAR is also available on the Department of Human Service's website at <https://mn.gov/dhs/partners-and-providers/policies-procedures/rulemaking/>.

Lobbyist Registration. *Minnesota Statutes*, chapter 10A, requires each lobbyist to register with the State Campaign Finance and Public Disclosure Board. Ask any questions about this requirement of the Campaign Finance and Public Disclosure Board at: Suite #190, Centennial Building, 658 Cedar Street, St. Paul, Minnesota 55155, telephone (651) 539-1180 or 1-800-657-3889.

Adoption Procedure if No Hearing. If no hearing is required, the agency may adopt the rules after the end of the comment period. The Department will submit the rules and supporting documents to the Office of Administrative Hearings for a legal review. You may ask to be notified of the date the rules are submitted to the office. If you want to receive notice of this, to receive a copy of the adopted rules, or to register with the agency to receive notice of future rule proceedings, submit your request to Vanessa Vogl.

Adoption Procedure after a Hearing. If a hearing is held, after the close of the hearing record, the Administrative Law Judge will issue a report on the proposed rules. You may ask to be notified of the date that the Administrative Law Judge's report will become available, and can make this request at the hearing or in writing to the Administrative Law Judge. You may also ask to be notified of the date that the agency adopts the rules and the rules are filed with the Secretary of State by requesting this at the hearing or by contacting Vanessa Vogl.

Order. I order that the rulemaking hearing be held at the date, time, and location listed above.

March 28, 2022

Amy Akbay
Chief General Counsel
Minnesota Department of Human Services

3400.0010 PURPOSE AND APPLICABILITY.

Subpart 1. **Purpose.** The purpose of this chapter is to:

A. govern the administration of the child care fund, to reduce, according to a sliding fee schedule, the costs of child care services for eligible families to enable them to seek or retain employment or to participate in education or training programs to obtain employment; and to

B. provide eligible families with the financial resources to find and afford quality child care for their children supporting their children's development, school readiness, and well-being. This chapter sets establishes child care assistance eligibility and child care assistance authorization standards for recipients participants and registered child care providers and administrative requirements for child care assistance program (CCAP) agencies administering the child care funds fund.

Subp. 2. **Applicability.** This chapter applies to all county and human service boards CCAP agencies providing child care assistance services to eligible families, registered child care providers, and child care providers seeking to register for child care assistance under Minnesota Statutes, sections 119B.011 to 119B.16 chapter 119B.

3400.0020 DEFINITIONS.

Subpart 1. **Scope.** As used In parts 3400.0010 to 3400.0230, the terms defined in Minnesota Statutes, section 119B.011, have the meanings given them in that section, and the following terms have the meanings given them in this part.

Subp. 1a. **12-month eligibility period.** "12-month eligibility period" means the time period after a CCAP agency has

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approved a family’s application or completed a redetermination of a family’s eligibility until the family’s next eligibility determination.

Subp. 1b. **12-month reporter.** “12-month reporter” means a family that is not a schedule reporter.

Subp. 1c. **15-day adverse action notice.** “15-day adverse action notice” means the written notification that a family or child care provider receives 15 days in advance of a negative action impacting the family’s or child care provider’s eligibility or authorization.

Subp. 1d. **A setting subject to public education standards.** “A setting subject to public education standards” means an education program that meets the state’s expectations for student learning in K-12 public schools, such as Head Start programs and prekindergarten or school-age care programs.

Subp. 1e. **Activity schedule.** “Activity schedule” means the days and times when a parentally responsible individual works, attends school, or participates in an authorized activity allowed by Minnesota Statutes, section 119B.05, subdivision 1. When a parentally responsible individual has a job with a flexible schedule, activity schedule means the typical days and times that the parentally responsible individual works or the possible days and times when the parentally responsible individual may work.

Subp. 2. [Repealed, 26 SR 253]

Subp. 3. [Repealed, 26 SR 253]

Subp. 4. [See repealer.]

Subp. 5. **Administrative expenses.** “Administrative expenses” means costs associated with the direct services administration of the child care fund. Administrative expenses include:

A. salaries, wages, and related payroll expenses incurred that a CCAP agency incurs in the administration of the child care fund, including direct personnel costs, expenses for general administration and supervision, and expenses for secretarial, clerical, accounting, and other support services;

[For text of items B to E, see Minnesota Rules]

Subp. 6. [Repealed, 26 SR 253]

Subp. 7. [Repealed, 26 SR 253]

Subp. 8. **Allocation.** “Allocation” means the share of the total state appropriation of money from the child care funds fund that a county or Tribe may earn and be reimbursed for in use during an allocation period. The commissioner may raise or lower a county’s or Tribe’s allocation may be raised or lowered during the allocation period when the commissioner redistributes unexpended or unencumbered allocations or when additional funds money become available.

Subp. 9. [Repealed, 26 SR 253]

Subp. 9a. [Renumbered subp 11a]

Subp. 9a. **Authorized activity.** “Authorized activity” means a parentally responsible individual is seeking employment or participating in an employment, education, or training program as allowed by Minnesota Statutes, section 119B.10, or an MFIP family participating in an authorized activity as allowed by Minnesota Statutes, section 119B.05, subdivision 1.

Subp. 10. [Repealed, 26 SR 253]

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Subp. 10a. **Authorized hours.** “Authorized hours” means the number of hours in a service period, not to exceed the maximum hour limit established in Minnesota Statutes, section 119B.09, subdivision 6, that may be paid for payable for a child from the child care for a child fund.

Subp. 10b. **Back-up child care provider.** “Back-up child care provider” means a child care provider that meets the criteria of part 3400.0120, subpart 1, and cares for a child on a sporadic basis when the child’s primary or secondary child care provider is unavailable.

Subp. 10c. **Certified license-exempt child care center.** “Certified license-exempt child care center” has the meaning given in Minnesota Statutes, section 245H.01.

Subp. 11. [Repealed, 26 SR 253]

Subp. 9a: 11a. **Child in an at-risk population.** “Child in an at-risk population” means a child with environmental or familial factors that create barriers to a the child’s optimal achievement. ~~Factors include, but are not limited to, such as a federal or state disaster, limited English proficiency in a family, a history of abuse or neglect, a determination that the children are child is~~ at risk of abuse or neglect, family violence, homelessness, the age of the child’s mother, the level of maternal education, mental illness, a developmental disability, or parental chemical dependency, or a history of other substance abuse.

[For text of subpart 12, see Minnesota Rules]

Subp. 12a. **Child care assistance household.** “Child care assistance household” means individuals living in the same home, including individuals who are temporarily absent from the home, who are a family as defined by Minnesota Statutes, section 119B.011, subdivision 13.

Subp. 12b. **Child care assistance program.** “Child care assistance program” means financial assistance for child care costs. The child care assistance program supports a parentally responsible individual with a low income who is employed, engaged in a job search, or engaged in education. The child care assistance program ensures that children of parentally responsible individuals have access to child care and are prepared to enter school.

Subp. 12c. **Child care center employee.** “Child care center employee” means:

A. a person employed by a licensed or certified license-exempt child care center;

B. a person who is not employed by a licensed or certified license-exempt child care center who has direct contact with children that the center serves and who has a background study required by Minnesota Statutes, section 245C.03, subdivision 1, paragraph (a), clause (3);

C. a person who is a contractor under Minnesota Statutes, section 245C.02, subdivision 9; or

D. a person who is a child care staff member under Code of Federal Regulations, title 45, section 98.43(a)(2)(ii).

Subp. 12d. **Commissioner.** “Commissioner” means the commissioner of the state agency that supervises the child care assistance program.

Subp. 12e. **Copayment.** “Copayment” means the amount that a family must contribute to child care costs as determined under Minnesota Statutes, section 119B.12.

Subp. 12f. **Child care assistance program agency or CCAP agency.** “Child care assistance program agency” or “CCAP agency” means a county agency, Tribal agency, or subcontracted agency designated by the county board or Tribal council to administer the child care assistance program (CCAP).

Subp. 12g. **Department.** “Department” means the state agency that supervises the child care assistance program.

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Subp. 13. [Repealed, 26 SR 253]

Subp. 14. [Repealed, 26 SR 253]

Subp. 15. [Repealed, 26 SR 253]

Subp. 16. [Repealed, 26 SR 253]

Subp. 17. [Repealed, 26 SR 253]

[For text of subpart 17a, see Minnesota Rules]

Subp. 18. **Documentation.** “Documentation” means a written statement or record, including an electronic record, that substantiates or validates an assertion made by a person or an action taken by ~~an administering agency~~ a CCAP agency.

[For text of subpart 18a, see Minnesota Rules]

Subp. 19. [Repealed, 26 SR 253]

Subp. 20. **Eligible relative caregiver.** “Eligible relative caregiver” means a person identified under Minnesota Statutes, section 256J.08, subdivision 11, (1) who is a caregiver of a child receiving a MFIP child-only grant or (2) who is a caregiver receiving an MFIP participant grant and the MFIP caregiver of a child. A person has the status of an eligible relative caregiver for child care assistance if the person is a caregiver receiving assistance under Minnesota Statutes, chapter 256J. After an eligible relative caregiver begins receiving child care assistance, status as an the eligible relative caregiver continues through retains eligible caregiver status for all child care assistance programs until there is a break in the eligible relative caregiver’s eligibility for child care assistance.

Subp. 20a. **Extended eligibility.** “Extended eligibility” means that a family continues to be eligible for child care assistance for up to three months or until the family’s redetermination, whichever occurs first, after a parentally responsible individual experiences a permanent end to the individual’s only authorized activity or when another parentally responsible individual moves into the household and is not participating in an authorized activity. During a family’s extended eligibility period, a CCAP agency must not reduce the family’s authorized amount of child care unless the family requests a reduction of the authorized amount of child care.

Subp. 21. [Repealed, 26 SR 253]

Subp. 22. [Repealed, 26 SR 253]

Subp. 23. [Repealed, 26 SR 253]

Subp. 24. [See repealer.]

Subp. 25. **Full calendar month.** “Full calendar month” ~~means~~ means from the first day of a month ~~to~~ through the last day of that month.

Subp. 26. **Full-day basis.** “Full-day basis” means child care ~~provided by that a family has scheduled and a CCAP agency has authorized with~~ a child care provider for more than five hours per day.

Subp. 27. [Repealed, 30 SR 1318]

[For text of subpart 28, see Minnesota Rules]

Subp. 28a. **Imminent risk.** “Imminent risk” means an immediate and impending threat to the health, safety, or rights of a child while in the care of a child care provider.

Subp. 29. [Repealed, 26 SR 253]

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Subp. 29a. **Immunization record.** “Immunization record” means the statement described in Minnesota Statutes, section 121A.15, subdivision 1; 3, paragraph (c) or (d);¹ or 4.

Subp. 30. [Repealed, 26 SR 253]

Subp. 31. [Repealed, 26 SR 253]

Subp. 31a. MR 2001 [Removed, L 2003 1Sp14 art 1 s 106]

[For text of subpart 31b, see Minnesota Rules]

Subp. 31c. **Legal nonlicensed child care setting.** “Legal nonlicensed child care setting” means the indoor and outdoor space where a legal nonlicensed child care provider provides child care.

Subp. 31d. **Licensed child care center.** “Licensed child care center” means a child care program operating at a facility requiring a license under Minnesota Statutes, chapter 245A. A licensed child care center is not excluded from licensure under Minnesota Statutes, section 245A.03, subdivision 2, and is not required to be licensed under parts 9502.0315 to 9502.0445 as a family or group family day care home.

Subp. 31e. **Licensed family child care provider.** “Licensed family child care provider” means:

A. an individual who is licensed to provide child care under Minnesota Statutes, chapter 245A, when the individual operates as a child care provider within the terms of the license;

B. an individual who: (i) holds a valid child care license issued by another state or a Tribe; (ii) provides child care services in the licensing state or in the area under the licensing Tribe’s jurisdiction; and (iii) is in compliance with federal health and safety requirements certified by the licensing state or Tribe or determined by the receipt of child care development block grant funds in the licensing state; or

C. an individual who provides child care while operating under the jurisdiction of the federal government.

Subp. 31f. **Lump sum.** “Lump sum” means money or payments that a family receives on a nonrecurring or irregular basis, such as child support arrears, an inheritance, an insurance payment, or gambling winnings.

Subp. 32. [Repealed, 26 SR 253]

Subp. 32a. [Repealed, 33 SR 695]

Subp. 32b. **Minimum wage.** “Minimum wage” means the minimum wage applicable under Minnesota Statutes, chapter 177, and under Code of Federal Regulations, title 29, part 531, to the applicant or participant or the premises where the applicant or participant is employed.

Subp. 33. **Overpayment.** “Overpayment” means the portion of a child care payment that is greater than the amount for which a recipient is eligible or greater than the amount that a child care provider should have received.

Subp. 34. [Repealed, 26 SR 253]

[For text of subpart 34a, see Minnesota Rules]

Subp. 34b. **Parentally responsible individual.** “Parentally responsible individual” means a parent, stepparent, legal guardian, eligible relative caregiver, or eligible relative caregiver’s spouse who is a member of the child care assistance family as defined under Minnesota Statutes, section 119B.011, subdivision 13, and who resides in the household that applies for child care assistance.

Subp. 34c. **Permanent end of an authorized activity.** “Permanent end of an authorized activity” means a parentally

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responsible individual is no longer participating in an authorized activity as allowed under subpart 9a.

Subp. 34d. **Portability pool child care assistance.** “Portability pool child care assistance” means continuous child care assistance for eligible families who move between Minnesota counties under Minnesota Statutes, section 119B.03, subdivision 9.

Subp. 35. **Provider rate.** “Provider rate” means the amount that the child care provider charges for child care.

Subp. 36. [Repealed, 26 SR 253]

Subp. 37. **Redetermination.** “Redetermination” means the process by which information is collected periodically by the county a CCAP agency and used that the CCAP agency uses to determine whether a recipient participant is eligible for continued assistance under from the child care fund.

Subp. 37a. **Related to the child care provider.** “Related to the child care provider” means that the legal nonlicensed child care provider under Minnesota Statutes, section 119B.011, subdivision 16, is the child’s sibling, aunt, uncle, grandparent, or great-grandparent, based on a blood relationship, marriage, or court decree.

Subp. 38. [See repealer.]

[For text of subpart 38a, see Minnesota Rules]

Subp. 38b. **Scheduled hours.** “Scheduled hours” means the specific days and hours during a service period that a child will attend child care as determined by the ~~child care worker~~ CCAP agency, the parent parentally responsible individual, and the child care provider based on the parents’ parentally responsible individual’s verified eligible activities schedules authorized activity schedule, the child’s school schedule, and any other factors relevant to the family’s child care needs.

Subp. 38c. **Schedule reporter.** “Schedule reporter” means a family that meets at least one of the following criteria:

A. a parentally responsible individual in the family is employed by a child care center licensed by the Minnesota Department of Human Services;

B. at least one child in the family is authorized for child care assistance with a legal nonlicensed child care provider; or

C. at least one child in the family is authorized for child care assistance with more than one child care provider.

Subp. 38d. **Service period.** “Service period” means the biweekly period that the child care assistance program uses for billing and payment purposes.

Subp. 39. **State median income.** “State median income” means the state’s annual median income for a family of three, adjusted for family size, developed by the United States Bureau of the Census and published annually by the United States Department of Health and Human Services in the Federal Register.

Subp. 39a. **Student parent.** “Student parent” means a person who meets the criteria in Minnesota Statutes, section 119B.011, subdivision 19b, who is not eligible for transition year child care.

Subp. 40. **Student.** “Student” means an individual enrolled in an educational education program as defined in Minnesota Statutes, section 119B.011, subdivision 11. A non-MFIP student is a student’s full-time student if the student or part-time status is defined by the student’s educational institution as a full-time student. A non-MFIP student is a part-time student if the student is defined by the student’s educational institution as a part-time student. A MFIP student is a student who is in compliance with the education or training requirements in the student’s employment plan.

Subp. 40a. **Temporarily absent.** “Temporarily absent” means that a family member included in the child care

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assistance program household is living away from the family's residence but and intends to return to the residence after a temporary absence. A temporarily absent adult who is in an authorized activity is not subject to the 60-day limit under Minnesota Statutes, section 119B.011, subdivision 13. Temporary absences include circumstances under which a family member is away from the household such as:

- A. a family member who attends a school away from home;
- B. a family member in foster care;
- C. a family member in a residential treatment facility;
- D. a family member in military service;
- E. a family member in a rehabilitation program; and
- F. an incarcerated family member.

Subp. 40b. **Transition year child care.** "Transition year child care" means child care assistance that an eligible family under Minnesota Statutes, section 119B.011, subdivision 20, may use to support a parentally responsible individual's employment, education, or job search.

Subp. 40c. **Unable to care.** "Unable to care" means that a parentally responsible individual is not capable of adequately caring for or supervising a child.

Subp. 40d. **Unsafe care.** "Unsafe care" means that a CCAP agency knows or has reason to believe that a child care provider is unsafe or the circumstances of the chosen child care arrangement are unsafe under Minnesota Statutes, section 119B.125, subdivision 4.

Subp. 40e. **Verification.** "Verification" means a written statement or record, in any form, including an electronic record, that substantiates or validates an assertion that a person makes. Information that a person reports on an application, at redetermination, or on a reporting form does not qualify as a verification.

Subp. 40f. **Verified activity schedule.** "Verified activity schedule" means a written statement or record that substantiates or validates the days and times when a parentally responsible individual works, attends school, or participates in an authorized activity under Minnesota Statutes, section 119B.05, subdivision 1.

Subp. 41. [Repealed, 26 SR 253]

Subp. 42. [Repealed, 26 SR 253]

Subp. 43. [Repealed, 26 SR 253]

Subp. 44. **Weekly basis.** "Weekly basis" means child care provided by that a CCAP agency authorizes with a child care provider for more than 35 but not more than 50 hours per week.

3400.0035 APPLICATION PROCEDURE.

Subpart 1. **Response to informational Information requests.** When a family asks for information about child care assistance paying for child care, the administering a CCAP agency must give the family information supplied by the department regarding commissioner about the following items:

- A. the child care assistance program and eligibility requirements;
- B. the availability of federal and state child and dependent care tax credits;

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- C. federal earned income tax credits;
- D. Minnesota working family credits;
- E. early childhood family education, school readiness, and Head Start programs;
- F. early childhood screening;
- G. MinnesotaCare health care programs, including health care programs for children in Minnesota;
- H. child care resource and referral services; ~~other programs with services for young children and families;~~ and
- I. financial assistance for families, including early learning scholarships established by Minnesota Statutes, section 124D.165, and the postsecondary child care grant program established in by Minnesota Statutes, section 136A.125-; and
- J. The administering agency also must inform the family of the following items: ~~other programs and services for young children and families.~~

Subp. 1a **Child care assistance requests.** When a family requests an application for child care assistance, a CCAP agency must give the family an application or provide information about how to submit an application electronically. When a family applies for child care assistance, a CCAP agency must give the family the information in subpart 1 and the following information:

- A. the eligibility requirements under for the child care fund;
- B. the documentation necessary to confirm a family's eligibility;
- C. whether if a waiting list exists and, if so, the number of families on the waiting list or the estimated time that the applicant will spend on the waiting list before reaching the top of the list;
- D. the procedure for applying for child care assistance;
- E. the family requirement to pay a copayment fee schedule and how the fee is computed based on a family's size and income;
- F. information about how to choose a child care provider;
- G. the a family's rights and responsibilities when choosing a child care provider;
- H. information about the availability of special needs rates;
- I. the a family's responsibility for paying child care provider charges that exceed county the maximum payments child care payment in addition to the family copayment fee; and
- J. the importance of prompt reporting of a move to another county to avoid overpayments and to increase the likelihood of continuing benefits, because child care assistance benefits may be affected by moving to another county the family's reporting responsibilities under part 3400.0040, subpart 4.

Subp. 1b. **Application for child care assistance.** A family must apply for child care assistance in the family's county of residence.

Subp. 2. **Application procedure Accepting and processing applications.** An administering A CCAP agency

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must follow the application procedures in items A and B:

A. If a family requests child care assistance and it appears that the family is eligible for child care assistance and funds are available, or if a family requests an application, the administering agency must mail or hand the family a universal child care assistance application:

B. If a family requests child care assistance and funds are not available, the administering agency must inform the family of a waiting list, screen the family for potential eligibility, and place the family on the waiting list if they appear eligible. The administering agency must place the family on the waiting list in the highest priority for which the family is eligible. As child care funds become available, the administering agency must inform the family at the head of the waiting list and ask the family to complete an application:

C. ~~The administering agency must accept all signed and dated applications that are submitted by mail or delivered to the agency within 15 calendar days after the date of signature for child care assistance that the CCAP agency receives. A county may CCAP agency must accept an application from an applicant who does not reside in that a county but served by the CCAP agency or who does not meet the Tribal CCAP agency's criteria for families that the Tribal CCAP agency serves. If a CCAP agency receives an application from an applicant who does not reside in a county served by the CCAP agency or who does not meet the Tribal CCAP agency's criteria for families that the Tribal CCAP agency serves, the agency must immediately must forward the application to the county where the applicant resides. The administering agency must mail a notice of approval or denial of assistance to the applicant within 30 calendar days after receiving the application. With the consent of the applicant, the administering agency may extend the response time by 15 calendar days a CCAP agency that may serve the applicant's family based on the family's place of residence or forward to a Tribal CCAP agency if the applicant meets the Tribal CCAP agency's criteria for families that the Tribal CCAP agency serves.~~

Subp. 2a. **Application processing for family experiencing homelessness.** An applicant is not eligible for expedited application processing under Minnesota Statutes, section 119B.025, subdivision 1, paragraph (c), if less than six months have passed from the date that a CCAP agency approved a previous application using expedited application processing.

Subp. 3. **Informational release.**

A. ~~When it appears the CCAP agency determines~~ that an applicant may be eligible for child care assistance but is unable to document the applicant's eligibility for the program, the administering CCAP agency must offer an applicant the opportunity to sign an informational release to permit the county CCAP agency to verify whether an applicant qualifies for child care assistance.

B. ~~The administering A CCAP agency must also offer an applicant an opportunity to sign an obtain a signed informational release from a family to permit the county CCAP agency to give the family's child care provider the additional information listed in subpart 6 and in part 3400.0185, subparts 2 and 4, that is not required by that is not required by part 3400.0185, subparts 9, 11, and 13, and Minnesota Statutes, section 119B.13, subdivision 5.~~

C. ~~The administering CCAP agency must give the applicant the information required by Minnesota Statutes, section 13.04, subdivision 2.~~

Subp. 4. [See repealer.]

Subp. 5. [See repealer.]

Subp. 6. [See repealer.]

Subp. 7. **Selection of child care provider.** An applicant must select a child care provider and the child care provider must meet the criteria in part 3400.0120, subpart 1, before a CCAP agency authorizes a child to receive child care from the child care provider and issues payments can be made to the child care provider from the child care fund. The same criteria applies if a parentally responsible individual selects a child care provider at a time other than at the time of

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application.

Subp. 8. **Selection of legal nonlicensed child care provider.** Before a CCAP agency authorizes child care with a legal nonlicensed child care provider, an applicant or participant who selects a legal nonlicensed child care provider must be informed about the following information and must sign an acknowledgment a document that contains:

A. a description of the registration process for a legal nonlicensed providers child care provider;

B. a description of the parent's parentally responsible individual's rights and responsibilities when choosing a child care provider;

C. an acknowledgment that the parent parentally responsible individual and the legal nonlicensed child care provider have reviewed the health and safety information provided by the county during the registration process; and

D. if the parent has selected a legal nonlicensed family child care provider, an assurance that the parent parentally responsible individual will provide an immunization record for each child of the parentally responsible individual's children to the legal nonlicensed family child care provider within 90 30 days of the date that the CCAP agency authorizes child care to begin for the each child begins and will give the legal nonlicensed family child care provider the information necessary to update the each child's immunization record;:

E. an acknowledgment that the legal nonlicensed child care provider does not share a home or residence with a child whose family is applying for or receiving child care assistance;

F. an acknowledgment that the legal nonlicensed child care provider must complete training as outlined in part 3400.0120, subpart 6, and Minnesota Statutes, section 119B.125, subdivision 1b, before the CCAP agency authorizes the legal nonlicensed child care provider to provide child care for the child; and

G. an acknowledgment that if the CCAP agency knows that the child care provider is unsafe or that the circumstances of the child care arrangement are unsafe, the CCAP agency may deny CCAP payments to the child care provider.

Subp. 9. **Selection of in-home child care provider.** A CCAP agency must inform an applicant or a participant who selects a child care provider who will to provide child care in the applicant's or participant's home must be informed that this choice of selecting an in-home child care may create provider creates an employer/employee relationship between the parent and the child care provider and. If an applicant or participant selects an in-home child care provider, a CCAP agency must be referred refer the applicant or participant to resources that are available for more information about these the applicable legal rights and responsibilities.

3400.0040 ELIGIBILITY REQUIREMENTS AND STANDARDS.

[For text of subpart 1, see Minnesota Rules]

Subp. 2. [Repealed, 26 SR 253]

Subp. 3. **Documentation of eligibility information Verification requirements at application.**

A. In addition to the requirements in Minnesota Statutes, section 119B.025, subdivision 1, an applicant for child care assistance must document the provide verification to a CCAP agency of:

(1) the citizenship or immigration status or participation in a program that makes a child exempt from this documentation requirement for all children for whom child care assistance is being sought of children in the applicant's family according to item D;

(2) relationship of the children in the family to the applicant;

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~~(3)(2) date the dates of birth of the all children in the family;~~

~~(4)(3) the date of birth of the applicant if the applicant is under 21 years of age;~~

~~(4) the income, if counted under Minnesota Statutes, chapter 256P, of each member of the applicant's family, including each member who is temporarily absent from the applicant's household;~~

~~(5) the identity, income eligibility, and place of residence for all members of each member of the applicant's family, including members each member who is temporarily absent from the household as defined in part 3400.0020, subpart 40a; and~~

~~(6) the work, education, or and training activity status for all applicants as defined in Minnesota Statutes, section 119B.011, subdivision 2, of each parentally responsible individual; and~~

~~(7) the family's assets, if the family's total assets exceed \$1,000,000.~~

~~B. The county must ask for the applicant's Social Security number, but the applicant is not required to disclose this information. Before asking for the applicant's social security number, the county must tell the applicant that:~~

~~(1) the disclosure is voluntary;~~

~~(2) the number is being solicited under the Code of Federal Regulations, title 45, section 98.71(a)(13); and~~

~~(3) the social security number will be used by county, state, and federal governments and their employees for the purposes of verification, reporting, research, and any other purpose authorized by law.~~

~~B. At the time of application for child care assistance, a family may verify:~~

~~(1) the income deductions allowed under part 3400.0170. A CCAP agency must process an application without income deductions if a family has not verified income deductions by the end of the application processing period in Minnesota Statutes, section 119B.025, subdivision 1;~~

~~(2) the school status of students six years of age and older with earned income. If a family has not verified a student's school status by the end of the application processing period in Minnesota Statutes, section 119B.025, subdivision 1, a CCAP agency must count the student's earned income under Minnesota Statutes, section 256P.06, subdivision 3, clause (1); and~~

~~(3) the Social Security number of all applicants as required by Minnesota Statutes, section 119B.025, subdivision 2.~~

~~C. For a CCAP agency to authorize care of children at the time of application, an eligible family must:~~

~~(1) verify the work, education, and training schedule of each parentally responsible individual; and~~

~~(2) provide the school schedule of each child who needs child care and attends school.~~

~~D. An applicant must have at least one child who meets the citizenship or immigration status requirement in the Federal Child Care and Development Fund, Code of Federal Regulations, title 45, section 98.20(c), or who is receiving child care in a setting subject to public education standards. For a CCAP agency to authorize care of a child, a family must verify the child's citizenship or immigration status unless a setting subject to public education standards is providing care for the child.~~

~~E. The county A CCAP agency must determine an applicant's eligibility for child care assistance at the time of~~

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application. The county must redetermine eligibility according to part 3400.0180 within the time frames in Minnesota Statutes, section 119B.025, subdivision 1.

Subp. 4. **Participant reporting responsibilities.** A participant must meet the reporting requirements in items A and B. A participant may report a change in person, by telephone, by facsimile, or by mail, including electronic mail.

A. When there is a change in the information reported by the participant at application or at the most recent redetermination of eligibility, the participant must report the new information to the county within ten calendar days after the change occurs. This reporting requirement applies to changes in income, residence, employment status, education or training status, family status, or family size. A change in income occurs on the day the participant receives the first payment reflecting the change in income.

B. Except in cases where the license of a provider licensed by the state of Minnesota has been temporarily immediately suspended or where there is an imminent risk of harm to the health, safety, or rights of a child in care with a legal, nonlicensed provider, license exempt center, or provider licensed by an entity other than the state of Minnesota, a participant must notify the county and the provider of the intent to change providers at least 15 calendar days before changing providers.

A. In addition to the reporting requirements in Minnesota Statutes, sections 119B.03, subdivision 9, and 256P.07, subdivisions 3 and 6, a family must report the following information to a CCAP agency within ten calendar days:

- (1) the family's assets when the assets are listed under subpart 5b and are over \$1,000,000 in total;
- (2) the parentally responsible individual begins providing child care to children; or
- (3) the parentally responsible individual begins working in a child care setting.

B. In addition to the reporting requirements in item A, a schedule reporter must report the following changes to a CCAP agency within ten calendar days of the change:

- (1) a change in employment, education, or training status, including starting an authorized activity, ending an authorized activity, or temporary breaks in an authorized activity;
- (2) changes in an employment schedule or education schedule; and
- (3) changes in the number of hours of job search participation.

C. A family must notify a CCAP agency and the family's child care provider of the family's intent to change child care providers at least 15 calendar days in advance of the date when the change takes effect. A family is not required to notify a CCAP agency and the child care provider 15 calendar days in advance of the date when the change takes effect under one of the following conditions:

- (1) when a child care provider is licensed by the state of Minnesota and the child care provider's license is temporarily immediately suspended under Minnesota Statutes, section 245A.07;
- (2) when there is an imminent risk of harm to the health, safety, or rights of a child in the care of the child care provider and the child care provider is a legal nonlicensed child care provider, certified license-exempt child care center, or child care provider licensed by an entity other than the state of Minnesota;
- (3) when a CCAP agency or the commissioner has suspended the child care provider's payment under Minnesota Statutes, chapter 245E; or
- (4) when a CCAP agency or the commissioner has denied or revoked the child care provider's registration under Minnesota Statutes, section 119B.13, subdivision 6, paragraph (d), clause (1) or (2).

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D. A participant may report a change to the CCAP agency in person, by telephone, by facsimile, by mail, electronically, by e-mail, or on a change reporting form.

Subp. 4a. Verification requirements during 12-month eligibility period.

A. A CCAP agency must request verification of a change when a 12-month reporter or a schedule reporter reports any of the following changes during the 12-month eligibility period:

(1) a change in income that results in income exceeding 85 percent of the state median income;

(2) a new authorized activity at the end of a job search, unless the job search is an authorized activity in an employment plan; or

(3) a move out of the state.

A CCAP agency must allow a 12-month reporter or schedule reporter 15 calendar days to return a verification to the CCAP agency. If a verification demonstrates that the 12-month reporter or schedule reporter is no longer eligible for child care assistance or if the 12-month reporter or schedule reporter does not return a verification to the CCAP agency after 15 days, the CCAP agency must terminate the 12-month reporter's or schedule reporter's eligibility with a 15-day adverse action notice.

B. The CCAP agency must request verification of a change when a 12-month reporter reports any of the following changes during the 12-month eligibility period:

(1) the permanent end of an authorized activity;

(2) new employment if the parentally responsible individual is employed by a child care center licensed by Minnesota; or

(3) authorized activity changes if the family is requesting authorization for more hours of child care.

A CCAP agency must allow a 12-month reporter 15 calendar days to return a verification to the CCAP agency. If the CCAP agency does not receive verification of the permanent end of an authorized activity and the 12-month reporter has no other authorized activity, a CCAP agency must place the 12-month reporter in extended eligibility according to part 3400.0175 on the date that the CCAP agency becomes aware of the permanent end of the authorized activity. If the CCAP agency does not receive verification from a 12-month reporter of a parentally responsible individual's new employment at a licensed child care center within 15 days, the CCAP agency must terminate the 12-month reporter's child care authorization with a 15-day adverse action notice and suspend the 12-month reporter's eligibility until the CCAP agency receives verification that allows the CCAP agency to authorize child care. If a CCAP agency does not receive a verification of an authorized activity change, the CCAP agency must not increase a 12-month reporter's authorized child care hours until the CCAP agency receives verification.

C. A CCAP agency must request verification of a change when a schedule reporter reports any of the following changes during the 12-month eligibility period:

(1) a schedule change;

(2) new employment;

(3) a temporary break from an authorized activity; or

(4) a permanent end of an authorized activity.

A CCAP agency must allow a schedule reporter 15 calendar days to return a verification to the CCAP agency. If the

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CCAP agency does not receive a verification, the CCAP agency must terminate the schedule reporter's child care authorization with a 15-day adverse action notice and suspend the schedule reporter's eligibility until the CCAP agency receives verification that allows the CCAP agency to authorize child care. If the CCAP agency receives the verification and the change results in a reduction in authorized child care hours, the CCAP agency must send the schedule reporter and the child care provider a 15-day adverse action notice before the reduction in authorized child care hours is effective.

D. When a family's reported and verified change results in an increase in authorized child care hours, a CCAP agency must increase the amount of the family's authorized child care.

Subp. 5. Employment, education, and training requirements. In a family with a single parent parentally responsible individual, or unmarried legal guardian or eligible relative caregiver, the applicant or participant must meet employment, education, or training requirements and other eligibility requirements in this part and in part 3400.0060, 3400.0080, or 3400.0090 for the child care assistance program for which the family is applying or in which the family is participating.

In a family with more than one parent parentally responsible individual or any combination of parents, stepparents, legal guardians and spouses, and eligible relative caregivers and spouses, at least one parent, legal guardian, eligible relative caregiver, or spouse must meet employment, education, or training requirements and other eligibility requirements in this part and in part 3400.0060, 3400.0080, or 3400.0090 for the child care assistance program for which the family is applying or participating in. The other parents, legal guardians, eligible relative caregivers, or spouses must:

A. meet the employment, education, or training requirements and other eligibility requirements in this part and part 3400.0060, 3400.0080, or 3400.0090 for the child care assistance program for which the family is applying or participating in; or

B. be unable to care for the applicant's or participant's child or dependent as determined by a licensed physician, licensed psychologist, licensed psychiatrist, or the local licensed social services agency worker. The status of a parentally responsible individual who is unable to care for the child is permanent when the parentally responsible individual's condition is ongoing and unlikely to improve; or temporary when the individual's condition has an expected or defined end date.

Subp. 5a. Child support cooperation.

A. All applicants and participants of the child care assistance program must cooperate with establishment of paternity and enforcement of child support obligations for all minor children in the family with an absent parent. For purposes of this part, a family has met the cooperation requirement when the family complies with Minnesota Statutes, section 256.741, or there is a finding under Minnesota Statutes, section 256.741, subdivision 10, of good cause for failing to cooperate under Minnesota Statutes, section 119B.09, subdivision 1, paragraph (c).

B. A family cooperating with child support at application is retroactively eligible for child care assistance within the time frames in Minnesota Statutes, section 119B.09, subdivision 7, paragraph (c).

C. A CCAP agency must deny an application for child care assistance if the applicant is not cooperating with child support by the end of the application processing time frame in Minnesota Statutes, section 119B.025, subdivision 1, paragraph (b).

D. A CCAP agency must terminate a family's eligibility when the family is not cooperating with child support at the time of redetermination. If a family meets the requirements in Minnesota Statutes, section 119B.025, subdivision 3, paragraph (c), clause (1), and cooperates with child support within 30 days after the date that the redetermination was due, a CCAP agency must reinstate the family's eligibility retroactively from the date that the family's eligibility ended.

E. The child care portion of the child support order for children receiving child care assistance must be assigned to the public authority as provided in Minnesota Statutes, section 256.741.

Subp. 5b. Assets. To be eligible for child care assistance, a family's countable assets must not exceed \$1,000,000.

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A. Countable assets include:

- (1) the value of all cash held by all members of the family;
- (2) the value of all bank accounts held by all members of the family;
- (3) the value of stocks, bonds, pensions, and retirement funds held by all members of the family that are readily accessible without a financial penalty;
- (4) the trade-in value of vehicles, excluding one vehicle per family member age 16 or older; and
- (5) the value of real property, excluding property where the family resides, real property that is homesteaded, and property that the family uses for self-employment or self-support.

B. When a family declares or reports that the family's assets exceed \$1,000,000, a CCAP agency must request verification of the family's assets. A CCAP agency must allow a family 15 calendar days to return the verification. If the verification confirms that the value of a family's countable assets is over \$1,000,000 or if a family does not return the verification, a CCAP agency must deny the family's application or terminate the family's eligibility with a 15-day adverse action notice.

Subp. 6. [Repealed, 26 SR 253]

Subp. 6a. **Ineligibility ~~for~~ due to failure to pay fees under the child care fund.**

A. A family that fails to pay the required family copayment fee under the child care fund Minnesota Statutes, section 119B.09, subdivision 1, paragraph (d), is ineligible for child care assistance until the family pays the fees are paid or until the family reaches an agreement for payment with the child care provider and the county CCAP agency and then continues to comply with the payment agreement.

B. When a child care provider provides child care in a child's home and the county pays the parent, a child's family that fails to pay the child care provider the amount of the child care assistance payment, the family is ineligible for child care assistance until the family makes the child care assistance payment is made or until the family reaches an agreement for payment with the child care provider and the county CCAP agency and then continues to comply with the payment agreement.

[For text of subpart 6b, see Minnesota Rules]

Subp. 6c. **Date of eligibility for child care assistance.** A CCAP agency must determine the date of a family's eligibility for child care assistance under parts 3400.0060 and 3400.0080 must be determined according to Minnesota Statutes, section 119B.09, subdivision 7. The date of eligibility for child care assistance under part 3400.0090 is begins on the date the that a family's MFIP or DWP case was closed.

Subp. 7. [See repealer.]

Subp. 8. **Child care assistance during employment.**

A. In addition to meeting other eligibility requirements, an employed persons person who is eligible for child care assistance under part 3400.0060, 3400.0080, or 3400.0090 must work at least an average of 20 hours per week and receive at least the minimum wage for all hours worked that the employed person works. An employed persons person who is eligible for child care assistance under part 3400.0080 are is exempt from this requirement if they have the person's work is an authorized activity in an approved employment plan that allows fewer work hours or a lower wage.

B. The county A CCAP agency and the an applicant or participant may must determine a length of time, not to exceed the most recent six months, over which the number of hours worked that an employed person works weekly can be is averaged and counted toward the participant's applicant or participant meeting the average of 20 hours per week

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requirement. If the number of hours worked during the designated time period actually averages less than 20 hours per week, any child care assistance funds paid by the county on the participant's behalf during the designated time period are subject to recoupment or recovery.

C. When a participant does not work by the hour and is not paid receive an hourly wage, the participant's earned income over a given period must be divided by the minimum wage to determine whether the participant has met the requirement to average at least 20 hours of work per week at minimum wage.

D. A CCAP agency must authorize child care assistance during a parentally responsible individual's employment shall be authorized for the number of hours that the individual is scheduled to be worked work, including break and meal time during the individual's employment, and up to two hours per day for the individual's travel time.

E. An employed person must meet minimum work requirements under item A at application, redetermination, or upon completing a job search. If a parentally responsible individual's work hours decrease below 20 hours per week or if the parentally responsible individual's wage drops below minimum wage during the 12-month eligibility period, the parentally responsible individual's eligibility for child care assistance continues until redetermination.

Subp. 9. **Child care assistance in support of employment.** A county CCAP agency must authorize child care assistance in support of employment for nonwork hours to an employed person who is eligible for child care assistance under parts 3400.0060 and 3400.0090, and an employed person who is eligible for child care assistance under part 3400.0080 without an approved employment plan, when the following conditions exist:

A. the employee cannot reasonably modify ~~his or her~~ the employee's nonwork schedule to provide child care; and

B. the child care assistance does not exceed the amount of child care assistance that would be granted under subpart 8, item D, during employment.

Subp. 10. **Child care assistance during education or training.** ~~Counties shall~~ A CCAP agency must provide child care assistance to students a student who is eligible for child care assistance under part 3400.0060 or 3400.0080, or 3400.0090 and enrolled in county-approved a CCAP agency-approved education or training programs program or employment plans plan according to items A to E.

~~A. Counties must authorize child care for full-time students for the days of class and on nonclass days, if needed for study, as determined by the county, not to exceed the maximum biweekly child care allowed.~~

~~B. A. Counties~~ A CCAP agency must authorize child care for part-time students a student who is eligible under parts 3400.0060 and 3400.0090 as needed necessary for:

(1) all hours of actual class time and credit hours for independent study ~~and, internships, and online courses;~~

(2) time periods between nonconsecutive classes;

(3) up to two hours per day for travel time; and

(4) two hours per week per credit hour for a postsecondary students for student to study and attend academic appointments.

~~When a part-time student has more than one hour between classes on any one day, the study and academic appointment time authorized under subitem (4) shall be reduced by the number of hours between classes.~~

B. A CCAP agency must authorize child care for a student who is eligible for child care assistance under part 3400.0080 according to an approved employment plan.

C. Child care assistance for basic or remedial classes is subject to county CCAP agency approval under subpart

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12. Upon ~~county~~ CCAP agency approval of ~~the a basic or remedial class or classes~~ education program, ~~the county shall a~~ CCAP agency must authorize the necessary child care assistance necessary to hours that enable the student to attend ~~class~~ classes and to complete class assignments.

D. If a family who is eligible for child care assistance under part 3400.0060 or 3400.0090 had an approved education plan with a CCAP agency and the family begins receiving services from another CCAP agency, the education plan remains in effect until the family's next redetermination or until the family requests a change. When another CCAP agency redetermines the family's eligibility at redetermination, the student's education plan is subject to the CCAP agency's approval, rejection, or modification.

E. A student taking a school break who is expected to return to school following the break remains eligible for child care assistance during the school break. For 12-month reporters, a CCAP agency must not reduce authorized child care hours or terminate child care authorizations during school breaks. Notwithstanding item B, for schedule reporters, a CCAP agency must:

(1) not reduce authorized child care hours or terminate child care authorizations during a school break if the break is scheduled to last 15 calendar days or less;

(2) suspend a family's eligibility if the family's only authorized activity is education and the school break is scheduled to last more than 15 days; and

(3) reduce the number of authorized child care hours based on a family's other authorized activities if the school break is scheduled to last more than 15 days.

Subp. 11. **Child care assistance during employment and during education or training.**

A. Employed students, including students on work study programs, are eligible for child care assistance during employment and education or training. ~~Counties shall use~~ A CCAP agency must follow the standards in subparts 8 and 10 to determine the amount of child care assistance hours to authorize.

B. ~~When~~ At the time of application and redetermination, a full-time student who requests child care for during the student's employment, the employment hours must work an average of at least ten hours per week at for which the student receives minimum wage. For purposes of determining whether the ten hours at minimum wage requirement in this subpart applies to a student, A full-time student retains full-time status during school breaks, including summers, if the student is expected to return to school full time after the break.

C. At the time of application and redetermination, a part-time student who requests child care during employment must work an average of at least 20 hours per week for which the student receives minimum wage.

D. To determine whether an employed student meets the hourly minimum wage requirement in this subpart, a CCAP agency must count the student's work-study hours and income as employment.

E. ~~Students~~ A student who is eligible for child care assistance under part 3400.0080 are is exempt from the ten minimum hours per week at requirement and the minimum wage requirement if they have the student has an approved employment plan that allows fewer work hours or a lower wage than the minimum otherwise required. For purposes of determining whether the ten hours at minimum wage requirement in this subpart has been met, work-study hours and income must be counted as employment.

Subp. 12. **Acceptable course of study.** An acceptable course of study for a student who is eligible for child care assistance under part 3400.0060 or 3400.0090 is an education or training program approved by the county CCAP agency according to the standards in the CCAP agency's child care fund plan that will reasonably lead to full-time employment opportunities as determined by the county. An acceptable course of study for a student who is eligible for child care assistance under part 3400.0080 is an approved education or training program described in the MFIP participant's employment plan.

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Subp. 13. **Satisfactory progress in education or training program.** Subject to the limitation in subpart 14, a ~~county shall~~ CCAP agency must provide child care assistance to students a student with an approved education or training program ~~for the length during the time of the student's education or training program~~ if the student is making satisfactory progress in the education or training program. Satisfactory progress in the education or training program means that a student remains in good academic standing in the education or training program as determined by the educational institution and meets the requirements of the student's education plan under part 3400.0060 or 3400.0090, or employment plan under part 3400.0080. A CCAP agency must not terminate a student's approved education plan during the 12-month eligibility period. At redetermination, if the county determines a CCAP agency receives documentation from an educational institution demonstrating that a student is not making satisfactory progress towards toward completion of an education or training program, the county shall CCAP agency must notify the student and discontinue child care assistance according to part 3400.0185 terminate approval of the student's education plan with a 15-day adverse action notice.

Subp. 14. **Maximum education or training under child care fund.** The maximum length of time that a student is eligible for child care assistance under the child care fund for education or training is described in items A to D E.

A. A student eligible under part 3400.0060 is eligible for child care assistance according to Minnesota Statutes, section ~~119B.07~~ 119B.10.

B. A student eligible under part 3400.0080 is eligible for child care assistance for the length of time necessary to complete authorized activities authorized in the student's employment plan according to the standards in Minnesota Statutes, chapter 256J.

C. A student who is eligible under part 3400.0090 is eligible for child care assistance according to Minnesota Statutes, section 119B.10.

~~D.~~ D. A student who is eligible under part 3400.0060 or 3400.0090 who has completed or who has participated in but failed to complete an education or training program under the child care fund may is eligible to receive child care assistance for a second education or training program if:

(1) a CCAP agency approves of the new education or training program is approved by the county; and

(2) the county a CCAP agency expects that completing the program will lead to the student's full-time employment.

~~D E.~~ D E. A student who is eligible under part 3400.0060 or 3400.0090 with a baccalaureate degree may is only obtain eligible to receive child care assistance for education or training if the education or training is for continuing education units, certification, or coursework that is related to the baccalaureate degree or current employment and that is necessary to update credentials to obtain or retain employment.

Subp. 15. **Changes in education or training programs.** A proposed change in an education or training program for a participant who is eligible for child care assistance under parts 3400.0060 and 3400.0090 is subject to county CCAP agency approval before the participant makes the change may be made. A CCAP agency must describe the approval policy for a participant's change to an education or training program in the CCAP agency's child care fund plan. A county may CCAP agency must not deny a request for a change in an education or training program when the student requesting the change can show demonstrates that changing a course or focus of study is necessary for reasons related to the health and safety of the student.

Subp. 15a. **Child care assistance during job search.**

A. A county shall CCAP agency must provide up to 240 hours per calendar year of child care assistance for job search activities to participants child care assistance to an applicant or participant at application and redetermination for job search activities as required by Minnesota Statutes, section 119B.10, subdivision 1, and for no more than 40 hours in

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a service period if the applicant or participant is:

(1) eligible under part 3400.0080 ~~who do~~ and does not have an approved job search support plan ~~employment plan~~;

(2) ~~or whose~~ eligible under part 3400.0080 and has an approved employment plan ~~do plan~~ that does not include a job search as an authorized activity;

~~(2)~~ (3) eligible under part 3400.0090 ~~who are~~ and is seeking employment; ~~and or~~

~~(3)~~ (4) eligible under part 3400.0060 ~~who are~~ and is seeking employment.

B. ~~The county shall grant child care assistance for job search activities. For an applicant or a participant who is eligible under part 3400.0080 with an employment plan that includes a job search as an authorized activity, a CCAP agency must provide child care assistance to the applicant or participant for job search activities for the number of hours in the applicant's or participant's approved employment plan for job search activities.~~

(1) ~~according to the number of hours in the individual's approved job search plan~~;

(2) ~~by applying the criteria identified in its child care fund plan~~; or

(3) ~~by verifying the actual number of hours spent on job search~~.

C. ~~At the option of the individual in job search and with prior county approval, child care may be used at a rate that is less than full time provided the total child care assistance does not exceed 240 hours of child care per calendar year. A CCAP agency must not authorize a job search in combination with any other activity for an applicant or a participant who is eligible under item A.~~

[For text of item D, see Minnesota Rules]

Subp. 16. [Repealed, 26 SR 253]

Subp. 17. **Temporary ineligibility for participants.** ~~Counties~~ A CCAP agency must reserve a family's position under the child care assistance fund if a family has been receiving child care assistance but is temporarily ineligible for assistance. A child care assistance participant who is a student may be temporarily ineligible for a maximum of one academic quarter or semester as determined by the student's academic calendar at the educational institution. Any other participant, including an employed participant, may be temporarily ineligible for a maximum of 90 days. A CCAP agency must place a family in temporary ineligibility when:

A. a family meets all eligibility requirements at redetermination in Minnesota Statutes, sections 119B.09 and 119B.10, but is on an unverified temporary break from the family's authorized activity. To end a family's temporary ineligibility, a parentally responsible individual must meet and verify the minimum authorized activity requirements in Minnesota Statutes, section 119B.10;

B. a family is ineligible for child care assistance due to increased income from active military service as provided in Minnesota Statutes, section 119B.09, subdivision 4a; or

C. a family is eligible under Minnesota Statutes, section 119B.025, subdivision 1, paragraph (c), but has not submitted a verification of eligibility within the time frame required by Minnesota Statutes, section 119B.025, subdivision 1, paragraph (d).

Subp. 17a. **Authorization after temporary ineligibility.**

A. If a family in temporary ineligibility becomes eligible for child care assistance, the family's eligibility begins on the date that the family meets all eligibility requirements. For a family that is eligible for child care assistance under

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Minnesota Statutes, section 119B.025, subdivision 1, paragraph (c), the family's eligibility begins retroactively from the date that temporary ineligibility began, or on the date that the family began participating in an authorized activity, whichever is later.

B. If a schedule reporter in temporary ineligibility becomes eligible for child care assistance, a CCAP agency must authorize child care based on the parentally responsible individual's verified activity schedule.

C. If a 12-month reporter in temporary ineligibility becomes eligible for child care assistance during the 12-month eligibility period, a CCAP agency must authorize the same amount of child care that the family received before the family became temporarily ineligible, unless the family requests less child care or the family verifies that the family needs more child care. If a 12-month reporter who is temporarily ineligible becomes eligible when a CCAP agency approves the 12-month reporter's redetermination, the CCAP agency must authorize child care based on the amount of child care that the family needs and the verification that the family provides at redetermination. If a CCAP agency determines that a 12-month reporter is temporarily ineligible at redetermination and on a different date the 12-month reporter becomes eligible, a CCAP agency must authorize child care based on the amount of child care that the 12-month reporter needed and verified at the time that the family was no longer temporarily ineligible.

Subp. 17b. **Temporary ineligibility of family on waiting list.** A county may CCAP agency must reserve a family's position under the child care assistance fund for up to 90 days if a family is approved to receive child care assistance and reaches the top of the basic sliding fee waiting list but is temporarily ineligible for child care assistance. In its a CCAP agency's child care fund plan, a county the CCAP agency must specify whether if the agency reserves positions under the child care assistance fund longer than 90 days for temporarily ineligible families who reach the top of the basic sliding fee waiting list and, if so, the criteria used to make the decision whether to reserve a position. Employed participants may be temporarily ineligible for a maximum of 90 days. Child care assistance participants who are students may be temporarily ineligible for a maximum of one academic quarter or semester as determined by the educational institution amount of additional time that the CCAP agency will reserve a family's position and the conditions under which the CCAP agency will reserve a family's position longer than 90 days.

Subp. 18. Suspension.

A. Counties A CCAP agency must suspend; and may not terminate; a family's eligibility for child care assistance for up to one continuous year if:

- (1) there are temporary breaks when the family does not need child care assistance is not needed;
- (2) the CCAP agency is unable to authorize child care due to missing schedule verifications; or
- (3) the family does not have an authorized eligible child care provider but the family remains eligible for child care assistance.

B. A CCAP agency must not decrease a 12-month reporter's authorized child care during the 12-month eligibility period if there is a temporary break or a change in the parentally responsible individual's employment, education and training, or employment plan activity, unless the 12-month reporter requests a reduction in authorized child care hours or requests that the CCAP agency suspend child care.

C. A CCAP agency must end a schedule reporter's authorization and suspend the schedule reporter's eligibility if there is a temporary break in the schedule reporter's employment, education or training, or employment plan activity and the parentally responsible individual has no other authorized activity, unless the parentally responsible individual meets the criteria in part 3400.0110, subpart 10.

Subp. 18a. Authorization after suspension.

A. If a schedule reporter is no longer suspended, a CCAP agency must authorize the schedule reporter's child care based on the parentally responsible individual's verified activity schedule.

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B. If a 12-month reporter is no longer suspended during the 12-month eligibility period, a CCAP agency must authorize the same amount of child care that the 12-month reporter received before the 12-month reporter's suspension, unless the 12-month reporter requests less child care or the 12-month reporter verifies that the 12-month reporter needs more child care. If a 12-month reporter is no longer suspended when a CCAP agency approves the 12-month reporter's child care at redetermination, a CCAP agency must authorize the 12-month reporter's child care based on the amount of child care that the 12-month reporter needs and the verification that the 12-month reporter provides at redetermination. If a 12-month reporter is suspended at redetermination and on another date, becomes eligible, a CCAP agency must authorize the 12-month reporter's child care based on the amount of child care that the 12-month reporter needs and that the 12-month reporter verifies at the time that the 12-month reporter becomes eligible.

3400.0060 BASIC SLIDING FEE PROGRAM.

Subpart 1. [Repealed, 26 SR 253]

Subp. 2. **Basic sliding fee allocation.** The commissioner ~~shall~~ must allocate money from the child care funds fund for the basic sliding fee program as provided in Minnesota Statutes, section 119B.03, subdivisions 6 to 9. By July 1 of each year, the commissioner must notify all county, Tribal, and human services boards of their allocations under the basic sliding fee program, including the amount available for payment of administrative expenses.

Subp. 3. [Repealed, 26 SR 253]

Subp. 4. **Reallocation of unexpended or unencumbered funds.** The commissioner ~~shall~~ must reallocate unexpended or unencumbered funds according to items A to D.

A. The commissioner may reallocate unexpended or unencumbered funds following the first, second, and third quarters of the allocation period as provided in Minnesota Statutes, section 119B.03, subdivision 5. Following the fourth quarter of the allocation period, the commissioner ~~shall~~ must review county and Tribal expenditures under the basic sliding fee program and ~~shall~~ must reallocate unearned allocations to counties and Tribes that had direct service earnings in excess of their allocation.

B. The amount reallocated to any county ~~shall~~ or Tribe must be based on direct service earnings in excess of its allocation. The amount reallocated ~~shall~~ must not be greater than the direct service earnings in excess of allocation minus the county's or Tribe's fixed local match to be calculated as specified in Minnesota Statutes, section 119B.11, subdivision 1.

C. If the amount of funds available for reallocation is less than total county or Tribe direct service earnings in excess of allocations, the reallocated funds ~~shall~~ must be prorated to each county and Tribe based on the ratio of the county's or Tribe's direct service earnings in excess of its allocation to the total of all county and Tribal direct service earnings in excess of their allocation.

D. If the amount of funds available for reallocation is greater than total county or Tribe direct service earnings in excess of allocations under the basic sliding fee program, the funds remaining after the basic sliding fee reallocation ~~shall~~ must be carried forward and added to the funds available for allocation in the next allocation period.

Subp. 5. **Families eligible for assistance under the basic sliding fee program.** To the extent of available allocations, a family an applicant is eligible for child care assistance under the basic sliding fee program if:

[For text of items A to C, see Minnesota Rules]

Subp. 6. [See repealer.]

Subp. 6a. [See repealer.]

Subp. 7. [See repealer.]

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Subp. 8. [See repealer.]

Subp. 9. **County Child care responsibility when family moves.**

A. When a family receiving child care assistance from the basic sliding fee program moves to a new county ~~within or moves to an area served by a Tribal CCAP agency in~~ Minnesota, the original county ~~or Tribal CCAP agency~~ must continue to provide child care assistance ~~to a family~~ for two full calendar months after the ~~family's~~ move if the family needs child care and remains eligible for the basic sliding fee program. ~~The family is responsible for notifying the new county of residence within 60 days of moving and applying for basic sliding fee assistance in the new county. Before a family transfers to a Tribal CCAP agency, the family must meet the Tribal CCAP agency's criteria for families that the Tribal CCAP agency serves.~~ The limitation in Minnesota Statutes, section 119B.09, subdivision 1, paragraph (a), clause (2), regarding the family's household income at program entry does not apply when a family receiving assistance moves to another county ~~or moves to an area served by a Tribal CCAP agency and timely applies under this item to continue~~ continues receiving assistance ~~in from~~ the new county ~~or Tribal CCAP agency.~~

B. If there is a waiting list for the basic sliding fee program in the receiving county ~~or Tribal CCAP agency~~ when ~~it the county or Tribal CCAP agency~~ assumes responsibility for the family ~~after two full calendar months following the family's move~~, the receiving county ~~or Tribal CCAP agency~~ must fund child care assistance for the family through the portability pool ~~while the family remains eligible~~. Portability pool funding must continue for the lesser of six months or until the family is able to receive assistance under the receiving county's basic sliding fee program. The family must also be added to the basic sliding fee program waiting list according to portability pool priority group in the receiving county effective the date of the move. If the family reaches the top of the waiting list and funds become available before the six months have ended, the receiving county must immediately add the family to its basic sliding fee program. If basic sliding fee funds are not available when the six months has ended, services to the family must be terminated. The family must stay on the waiting list effective the date of the move. If funds become available after the family's child care assistance has been terminated due to the end of the portability pool period, the family must be treated as a new applicant and must have a household income that meets the income requirements in Minnesota Statutes, section 119B.09, subdivision 1, for program entry. ~~An eligible family must continue to receive child care assistance through the portability pool until the family is able to receive child care assistance through the receiving county's or Tribe's basic sliding fee program.~~

C. If there is no waiting list for the basic sliding fee program and funds are available, the receiving county ~~or Tribal CCAP agency~~ must immediately move the family into ~~its the county's or agency's~~ basic sliding fee program when ~~it the county or agency~~ assumes responsibility for the family ~~after two full calendar months following the family's move~~ according to Minnesota Statutes, section 256G.07, subdivision 1.

D. If the participant had an approved educational plan in the original county, the plan transfers with the participant. The plan remains in effect during the two months that the original county continues to pay for the family's child care assistance and during any time the family's child care assistance is paid through the portability pool. When the receiving county pays the family's basic sliding fee assistance from its own allocation, the receiving county may reject, approve, or modify the family's educational plan based on the receiving county's criteria for approving educational plans.

Subp. 10. **Continued eligibility under basic sliding fee program.** A county ~~may~~ CCAP agency must not refuse to provide continued child care assistance to a family receiving assistance ~~under through~~ the basic sliding fee program when there is a change in the family's financial or household status ~~provided that as long as~~ the family continues to meet the eligibility requirements in this part and the general eligibility requirements in part 3400.0040. Except for the job search time limit under Minnesota Statutes, section 119B.10, subdivision 1, paragraph (a); the education time limit in Minnesota Statutes, section 119B.07; and the time limit for the at-home infant care program in Minnesota Statutes, section 119B.035, subdivision 4, counties ~~may~~ 119B.10, subdivision 3, paragraph (b); the extended eligibility period in Minnesota Statutes, section 119B.105; and the time limit to submit proof of eligibility under Minnesota Statutes, section 119B.025, subdivision 1, paragraph (d), a CCAP agency must not set a time limit for eligibility under the basic sliding fee program.

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3400.0065 BASIC SLIDING FEE WAITING LIST.

Subpart 1. **Basic sliding fee program waiting lists.** When a family inquires about or applies for child care assistance and basic sliding fee funding is not immediately available, a CCAP agency must perform a preliminary determination of the family's eligibility. A CCAP agency must not request or require a family to submit verifications during the preliminary determination of eligibility. If a CCAP agency determines that a family is or will likely be eligible for child care assistance and funding is not immediately available, the CCAP agency must place the family on a waiting list. A CCAP agency must determine the highest priority group for which a family qualifies and must notify the family of this determination. A CCAP agency must keep a written record identifying each family that the CCAP agency places on the child care waiting list.

Subp. 2. **Waiting list dates.** Based on the funding priorities in Minnesota Statutes, section 119B.03, subdivision 4, a CCAP agency must add a family to the basic sliding fee program waiting list on the dates in items A to D.

A. A CCAP agency must add a family in priority group one or four to the basic sliding fee program waiting list on the date that the family makes the child care assistance request.

B. A CCAP agency must add a family in priority group two to the basic sliding fee program waiting list on the date that the family begins a transition year under part 3400.0090.

C. A CCAP agency must add a family in priority group three to the basic sliding fee program waiting list on the date that the family moves to a receiving county or moves to an area served by a Tribal CCAP agency.

D. A CCAP agency must add any other family who will likely be eligible under Minnesota Statutes, section 119B.03, subdivision 3, to the basic sliding fee program waiting list on the date that the participant makes the child care assistance request.

Subp. 3. **Temporarily ineligible family on basic sliding fee waiting list.** When a family inquires about or applies for child care assistance while the family is temporarily ineligible, a CCAP agency must place the family on the waiting list if it is likely the family will be eligible for child care assistance. When a family reaches the top of the CCAP agency's waiting list and is temporarily ineligible for child care assistance, a CCAP agency must follow the procedures in part 3400.0040, subpart 17b.

Subp. 4. **Transfer of family from waiting list to basic sliding fee program.** A CCAP agency must move a family on the basic sliding fee waiting list to the basic sliding fee program as funding permits according to the priorities listed in Minnesota Statutes, section 119B.03, subdivision 4. After a CCAP agency has complied with the priority requirements in section 119B.03, subdivision 4, the CCAP agency must comply with any priority requirements that the CCAP agency adopts under part 3400.0140, subpart 10, to move a family on the waiting list to the basic sliding fee program.

Subp. 5. Transfer of transition year family to basic sliding fee program.

A. If a transition year family under part 3400.0090 moves to another county or moves to an area served by a Tribal CCAP agency, the date that the original county or Tribal CCAP agency placed the family on the basic sliding fee waiting list must transfer with the family to the receiving county or Tribal CCAP agency.

B. A family who is eligible for, but does not use, transition year child care assistance retains the family's priority status for the basic sliding fee program. A family loses priority status at the conclusion of the transition year.

C. A county or Tribal CCAP agency must manage the county's or Tribal CCAP agency's basic sliding fee allocation to allow a family to move from a transition year to the basic sliding fee program without any interruption in child care. A CCAP agency must not serve a family under the basic sliding fee program who is a lower priority on the basic sliding fee waiting list than a transition year family unless the CCAP agency ensures that there is basic sliding fee program funding for the transition year family at the end of the family's transition year.

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D. When a transition year ends, a CCAP agency must move a transition year family into the basic sliding fee program. A transition year family that does not reach the top of the CCAP agency's basic sliding fee program waiting list before completing a transition year is eligible to continue receiving transition year extension child care assistance under part 3400.0090, subpart 10. A CCAP agency must move a family receiving transition year extension child care assistance into the basic sliding fee program as funding becomes available according to the priorities in Minnesota Statutes, section 119B.03, subdivision 4.

Subp. 6. **Removal of family from waiting list.** If a family receives transition year extension child care assistance or portability pool child care assistance, or is a student parent as defined in part 3400.0020, subpart 39a, receiving MFIP child care, and the family is no longer eligible for child care assistance, a CCAP agency must remove the family from the basic sliding fee waiting list. If a family reapplies for child care assistance in a county or with a Tribal CCAP agency with a waiting list, the family is subject to the waiting list according to the priorities in Minnesota Statutes, section 119B.03. A family who loses eligibility for child care assistance while receiving a transition year extension is no longer eligible for second priority on the basic sliding fee waiting list.

3400.0080 MFIP CHILD CARE PROGRAM.

[For text of subpart 1, see Minnesota Rules]

Subp. 1a. Eligibility and authorization of sanctioned MFIP participant.

A. At the time of application and redetermination, a 12-month reporter or schedule reporter who has been sanctioned under the MFIP program is eligible to receive child care assistance as allowed by part 3400.0110, subpart 3, item A.

B. A MFIP participant eligible for 12-month reporter receiving child care assistance who has been sanctioned under the MFIP program ~~may~~ is eligible to receive child care assistance: as allowed under parts 3400.0110, subpart 3, item C, and 3400.0175.

C. A schedule reporter who receives child care assistance and has been sanctioned under the MFIP program is eligible to receive child care assistance as allowed by parts 3400.0110, subpart 3, item D, and 3400.0175.

~~A. for that portion of the participant's job search support or employment plan which the participant is complying with according to Minnesota Statutes, chapter 256J; or~~

~~B. according to Minnesota Statutes, section 119B.05, subdivision 1, clause (1).~~

Subp. 1b. **Child care assistance for approved job search.** A MFIP participant who has an approved job search support plan or whose employment plan that includes a job search as an authorized activity is not limited to 240 hours of job search child care assistance in a calendar year the job search time frame in Minnesota Statutes, section 119B.10, subdivision 1.

Subp. 2. [Repealed, 26 SR 253]

Subp. 3. [Repealed, 26 SR 253]

Subp. 4. [Repealed, 26 SR 253]

Subp. 5. [Repealed, 26 SR 253]

Subp. 6. [Repealed, 26 SR 253]

Subp. 7. [Repealed, 26 SR 253]

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Subp. 8. ~~County~~ **Child care responsibility when a family moves to another county.** When a MFIP or DWP participant moves to a ~~new~~ another county or an area served by a Tribal CCAP agency and the ~~new~~ receiving county or Tribal CCAP agency accepts responsibility for the participant's approved ~~job search support~~ or employment plan under Minnesota Statutes, section 256J.55, subdivision 3, the ~~new~~ receiving county or Tribal CCAP agency is responsible for providing child care assistance to the MFIP or DWP participant effective on the date that the county or Tribal CCAP agency accepted responsibility for the employment plan. In all other cases, a county or Tribal CCAP agency must provide child care assistance ~~must be provided~~ according to Minnesota Statutes, section 256G.07, subdivisions 1, 3, and 4, when a MFIP or DWP participant moves to a ~~new~~ another county or an area served by a Tribal CCAP agency. A family must meet a Tribal CCAP agency's criteria for families that the Tribal CCAP agency serves for the Tribal CCAP agency to provide child care assistance to the family.

3400.0090 TRANSITION YEAR CHILD CARE.

Subpart 1. **Notice to family of eligibility.** ~~The administering agency must notify a family, in writing. At the time the~~ that a family's MFIP or DWP case closes, the county or Tribal agency serving the family's MFIP or DWP case must send the family written notice of the family's potential eligibility for transition year child care. ~~The notification must include information on how to establish eligibility for transition year child care and on the family's rights and responsibilities under the transition year child care program.~~

Subp. 2. Eligibility.

A. A family must only use transition year child care assistance ~~may only be used~~ to support employment and, a job search related expenses, and an approved education or training program that meets the requirements in Minnesota Statutes, section 119B.10. A family is eligible for transition year child care if the family meets the conditions in items A to D ~~are met~~ subitems (1) to (4).

~~A-~~ (1) The family's MFIP or DWP case has closed.

~~B-~~ (2) At least one caregiver in the family received MFIP or DWP in at least ~~three~~ one of the six months immediately preceding the month in which the family's MFIP or DWP case was closed.

~~C-~~ (3) The family meets the income eligibility requirements specified in Minnesota Statutes, section 119B.09, subdivision 1.

~~D-~~ (4) Transition year child care may be paid for the care of a child who would have been eligible to receive a MFIP grant, or for children who would have been eligible for MFIP, except for the child's receipt of SSI or Title IV-E foster care benefits. The child meets the definition of a family under Minnesota Statutes, section 119B.011, subdivision 13; or the child received, or would have been eligible to receive, an MFIP or DWP grant.

B. Eligibility A family becomes eligible for transition year child care begins the first month after on the date that the family's MFIP or DWP case has closed ~~closes~~ and continues to be eligible for 12 consecutive months. A family's temporary ineligibility for, suspension of, or failure to use child care assistance during the transition year does not suspend the transition year period.

C. A former MFIP or DWP participant may apply for transition year child care at any time during the transition year and, notwithstanding the application date, shall ~~must~~ receive retroactive transition year child care assistance according to Minnesota Statutes, section 119B.09, subdivision 7.

D. If a family was receiving child care assistance when the family's MFIP or DWP case closed, ~~determination of eligibility for transition year child care assistance must be treated as a redetermination rather than a new application~~ the family's child care assistance continues until the next redetermination as long as the family meets the transition year eligibility criteria in item A.

Subp. 3. Loss of transition year child care eligibility.

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A. A family in which all caregivers have been disqualified from receiving MFIP or DWP due to fraud is not eligible for transition year child care assistance.

B. A county or Tribal CCAP agency must end a family's transition year child care assistance if the family meets one or more conditions for termination under part 3400.0183, subpart 2.

Subp. 4. Reestablishment of MFIP or DWP eligibility during transition year period. If a transition year family reopens its the family's MFIP or DWP case during the transition year period and subsequently meets the conditions in subpart 2, the family qualifies for a new 12-month transition year period. ~~If the family received MFIP or DWP for only one or two of the previous six months, but meets the requirements in subpart 2, items A, C, and D, the family is eligible for the remaining months of the transition year, treating the month or months on MFIP or DWP as a suspension of the child care benefit but not the transition year period.~~ A family who receives one month of MFIP or DWP assistance and who meets the other conditions in subpart 2 is eligible for another 12-month transition year period. To receive child care assistance while receiving MFIP or DWP, ~~the~~ a family must meet the MFIP child care requirements under part 3400.0080.

Subp. 5. [Repealed, 26 SR 253]

Subp. 6. [Repealed, 26 SR 253]

Subp. 7. [Repealed, 33 SR 695]

Subp. 8. [Repealed, 26 SR 253]

Subp. 9. [Repealed, 26 SR 253]

Subp. 10. Transition year extension.

A. A family must only use transition year extension child care assistance to support employment, a job search, and an approved education and training program that meets the requirements in Minnesota Statutes, section 119B.10.

B. A family that meets the requirements of Minnesota Statutes, section 119B.011, subdivision 20a, and all other applicable child care assistance eligibility requirements is eligible for transition year extension child care assistance.

C. A family's transition year extension child care assistance begins after the conclusion of 12 consecutive months of the family's transition year. Child care assistance continues for a family as long as the family continues to meet child care assistance eligibility requirements.

D. A family's transition year extension child care assistance continues until:

- (1) basic sliding fee child care assistance funding becomes available;
- (2) the family starts receiving MFIP or DWP assistance; or
- (3) the family no longer meets child care assistance eligibility requirements.

E. A CCAP agency considers a family a new applicant when the family requests child care assistance after a transition year extension ends.

3400.0100 FAMILY COPAYMENT FEE SCHEDULE COPAYMENTS AND COPAYMENT SCHEDULES.

Subpart 1. [Repealed, 30 SR 1318]

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Subp. 2. [Repealed, 26 SR 253]

Subp. 2a. ~~Copayment fees to be Copayments prorated during start-up initial service period.~~ Counties A CCAP agency must prorate all a copayment fees during the service period when the a family first receives service based on the number of calendar days remaining in the service period.

Subp. 2b. [See repealer.]

Subp. 2c. [See repealer.]

Subp. 3. [Repealed, 30 SR 1318]

Subp. 3a. [Repealed, 30 SR 1318]

Subp. 4. [Repealed, 30 SR 1318]

Subp. 5. ~~Update and publication of fee copayment schedule in State Register.~~ The department shall publish annually in the State Register the state median income for a family of three, adjusted for family size, and a fee schedule. This information must be published after the date the state median income is published in the Federal Register by the United States Department of Health and Human Services. The department shall also distribute a copy of the fee schedule and the updated estimate of state median income to each county. The updated fee schedule shall take effect on July 1 or on the first day of the first full quarter following publication of the state median income in the State Register if publication occurs after July 1. Under Minnesota Statutes, section 119B.12, the updated fee copayment schedule must take effect within three months of the date that the state median income and federal poverty guidelines become publicly available. The commissioner must publish and make the updated copayment schedule electronically available to each CCAP agency.

3400.0110 CHILD CARE ASSISTANCE AUTHORIZATIONS AND PAYMENTS.

Subpart 1. ~~Payment options Use of money from child care fund.~~ Counties A CCAP agency must monitor child care issue child care assistance payments to ensure that the funds are used for eligible families to eligible child care providers under part 3400.0120, subpart 1, from the child care fund.

Subp. 1a. ~~Date of payments must begin.~~ After approval of an a CCAP agency approves of a family's application for child care assistance, the CCAP agency must authorize payment of child care assistance must be authorized to begin as of to an eligible child care provider under part 3400.0120 beginning on the family's date of eligibility as determined under part 3400.0040, subpart 6c.

Subp. 2. ~~Authorization before Payment of legal nonlicensed providers child care provider.~~ After a legal nonlicensed child care provider is authorized by the county registered as a child care provider and eligible for child care assistance under part 3400.0120, the county must pay the provider or parent retroactive to a CCAP agency must pay the child care provider retroactively from the date in item A, B, or C that occurred most recently, or D, whichever is later:

A. ~~the date on which that a CCAP agency authorizes child care to begin for the a family was authorized to begin that the legal nonlicensed child care provider serves;~~

B. ~~the date the that a family signed the application that the legal nonlicensed child care provider serves became eligible for child care under part 3400.0040, subpart 6c; or~~

C. ~~the date the that a family began using the legal nonlicensed child care provider; or~~

D. ~~the date that the legal nonlicensed child care provider completed training required by part 3400.0120, subpart 6, and Minnesota Statutes, section 119B.125, subdivision 1b.~~

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Subp. 2a. [See repealer.]

Subp. 2b. **Payment of certified license-exempt child care centers.** After a license-exempt child care center is certified under Minnesota Statutes, chapter 245H, registered, and eligible under part 3400.0120, subpart 1, a CCAP agency must pay the license-exempt child care center retroactively from the date in item A or B, whichever is later:

A. the date that a CCAP agency authorizes child care for a family to begin for a family that the certified license-exempt child care center serves; or

B. the date that a family that the certified license-exempt child care center serves became eligible for child care under part 3400.0040, subpart 6c.

Subp. 3. **County Authorization of child care.** Within the limits set by this chapter and Minnesota Statutes, chapter 119B, the amount of child care authorized that a CCAP agency authorizes must reflect the child care needs of the family and minimize out-of-pocket child care costs to the family according to items A to H.

A. ~~The amount of~~ At the time of application and redetermination, a CCAP agency must authorize child care authorized must be based on the parents' requirements in Minnesota Statutes, section 119B.095, and based on the parentally responsible individual's schedule of participation in authorized activities, the child's school schedule, the child care provider's availability, and any other factors that would affect the amount of child care that the child family needs. The county must pay the provider's full charge up to the applicable maximum rate for all hours of child care authorized and scheduled for the family. When more than 50 hours of child care assistance for one child are authorized with one provider in a week, the county may reimburse the provider in an amount that exceeds the applicable maximum weekly rate, if the provider charges the same amount for more than 50 hours of care for a family not receiving child care assistance.

B. A county CCAP agency must not authorize or pay for more than 120 hours of child care assistance per child every two weeks, except as provided under subparts 3a and 3b. To convert child care paid on a full-day or weekly basis into hours to determine if payment exceeds 120 hours of child care assistance, counties must follow the standards in items A and B:

A. A full-day is equal to ten hours of child care.

B. A week is equal to 50 hours of child care.

C. A CCAP agency must not decrease the amount of a 12-month reporter's authorized child care during the 12-month eligibility period due to a temporary break or a change in the parentally responsible individual's employment, education and training, or employment plan activity, unless the 12-month reporter requests a reduction in authorized hours or requests that the CCAP agency suspend the 12-month reporter's child care under part 3400.0040, subpart 18. Temporary breaks or changes include circumstances such as:

(1) medical leave;

(2) seasonal employment fluctuations;

(3) a school break between semesters; or

(4) a reduction in the parentally responsible individual's work, training, or education hours while the parentally responsible individual is still engaged in the activity.

D. A CCAP agency must authorize child care during the 12-month eligibility period for a schedule reporter based on the parentally responsible individual's activity schedule. A CCAP agency must decrease the number of a schedule reporter's authorized hours when there is a change in the parentally responsible individual's employment, education and training, or employment plan activity and as a result of the change, the schedule reporter needs fewer hours of child care.

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A CCAP agency must terminate a child care authorization when there is a temporary break in the parentally responsible individual's employment, education and training, or employment plan activity and the parentally responsible individual has no other authorized activity, unless the parentally responsible individual meets the criteria in subpart 10 or part 3400.0040, subpart 10, item E, subitem (1). Temporary breaks include circumstances such as:

- (1) a medical leave;
- (2) seasonal employment fluctuations; and
- (3) a school break between semesters.

E. If a parentally responsible individual experiences a permanent end of the parentally responsible individual's only authorized activity under part 3400.0175, a CCAP agency must authorize the same amount of child care for the family as the family received before the permanent end of the authorized activity for up to three months or until the family's next redetermination, whichever is sooner.

F. A CCAP agency must terminate a child's child care authorization on the child's birthday when the child reaches 13 years of age or the child has a disability and reaches 15 years of age. A family remains eligible until redetermination under Minnesota Statutes, section 119B.09, subdivision 1, paragraph (e). If continued child care is necessary, the parentally responsible individual must request a CCAP agency to authorize child care. For 12-month reporters, a CCAP agency must authorize the same amount of child care under this item as the family received before the child's birthday, unless the parentally responsible individual verifies that the family needs additional child care hours or requests fewer child care hours. For schedule reporters, a CCAP agency must authorize child care under this item based on the parentally responsible individual's verified activity schedule. If the child is attending a licensed child care center, the child care provider must have a variance under chapter 9503 for a CCAP agency to authorize child care for the child.

G. A CCAP agency must authorize 100 hours of child care biweekly for a child when the child, the parentally responsible individual's authorized activity, and the child's child care provider meet the criteria in Minnesota Statutes, section 119B.13, subdivision 3c, unless the family chooses to have fewer hours authorized.

H. A CCAP agency must limit the amount of child care that the CCAP agency authorizes with a secondary child care provider as provided in Minnesota Statutes, section 119B.097.

Subp. 3a. **Authorization during change in child care provider.** A CCAP agency must not authorize more than 120 hours of child care per child during each service period, except during a change in child care provider. Before authorizing a child's care with a new child care provider, a CCAP agency must give the previous child care provider proper notice under part 3400.0185, subpart 13. A CCAP agency is allowed to authorize child care with a new child care provider before the CCAP agency terminates the child care authorization of the previous child care provider if:

- A. child care is no longer available with the previous child care provider;
- B. the previous child care provider notifies the CCAP agency that the child care provider will not bill for child care during the 15-day adverse action period; or
- C. the child is no longer receiving child care from the previous child care provider and the child has reached the absent day limit under Minnesota Statutes, section 119B.13, subdivision 7.

Subp. 3b. **Authorization of child care with back-up child care provider.** When the child's usual child care provider is unavailable, the family may request that a CCAP agency authorize child care with a back-up child care provider for a maximum of the entire time period that the child's usual child care provider is unavailable.

Subp. 3c. **Authorization of children of child care center employee.**

- A. When a CCAP agency authorizes child care in excess of the limit of children of child care center employees in

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Minnesota Statutes, section 119B.09, subdivision 9a, the CCAP agency must issue a 15-day adverse action notice and terminate the authorization of any child in excess of the limit. The CCAP agency must terminate the authorization of the child or children whose child care was most recently authorized until there are no authorizations in excess of the limit.

B. If a parentally responsible individual becomes a child care center employee at the same child care center where the individual's child is authorized to receive child care and the child care center exceeds the limit of children of child care center employees in Minnesota Statutes, section 119B.09, subdivision 9a, the CCAP agency must issue a 15-day adverse action notice and terminate authorization of the individual's child.

Subp. 3d. Child care payment.

A. A CCAP agency must pay a child care provider's full charge up to the applicable maximum rate, less the copayment, for all authorized hours of child care for a child.

B. A CCAP agency must not pay for more than 120 hours of child care assistance per child per service period. The 120-hour payment limit applies during a change in child care provider under subparts 3a and 3b.

C. Except as provided under subpart 8, a CCAP agency must not pay for the care of a child by more than one child care provider during the same period of time. If a child uses two child care providers under Minnesota Statutes, section 119B.097, the payment limits in Minnesota Statutes, section 119B.13, subdivision 1, apply. A CCAP agency must not pay more than one primary child care provider for care of a child on the same day and must not pay more than one secondary child care provider on the same day.

D. All hourly rates that a CCAP agency pays to a legal nonlicensed child care provider count toward the 120-hour limit.

E. A CCAP agency must follow the standards in subitems (1) and (2) to convert child care that a CCAP agency pays on a full-day or weekly basis into hours to determine if a payment exceeds 120 hours of child care assistance per service period for licensed and certified license-exempt child care providers.

(1) Payment at the daily maximum rate is equal to ten hours of child care.

(2) Payment at the weekly maximum rate is equal to 50 hours of child care.

Subp. 4. [Repealed, 33 SR 695]

Subp. 4a. **Reimbursement from other sources for child care costs.** A county CCAP agency must reduce the amount of a family's child care assistance payment by the amount of reimbursement earmarked for the same child care expenses that the family receives from sources other than the child care assistance fund. A CCAP agency must not reduce the amount of a family's child care assistance payments when another source pays for different child care expenses, such as copayments, differences between the applicable maximum rate and the child care provider's charge, or time periods that are not authorized under the child care fund.

Subp. 5. [Repealed, 26 SR 253]

Subp. 6. [Repealed, 26 SR 253]

Subp. 7. **County Payment policies and schedule.** A county may CCAP agency must not require parents a parentally responsible individual to pay providers a child care provider in advance of receiving payments from the child care fund as a condition for receiving payments from the child care fund. The county shall A CCAP agency must make child care assistance payments at least monthly within 21 days of receiving a complete bill from a child care provider. A complete bill must include a child care provider's signature, unless the bill meets the good cause criteria defined in the CCAP agency's child care fund plan. Providers must be sent A CCAP agency must send a child care provider the forms

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necessary to bill for payment on or before the beginning of the billing cycle if the county CCAP agency has received the information necessary for child care to be authorized child care before this date.

Subp. 8. Sick child care.

A. Sick child care means child care services provided to children who as a result of illness cannot attend that a child is unable to receive child care from the family's regular child care provider due to the child's illness. In addition to making payments for regular child care, the county a CCAP agency may make payments for to a second child care provider that provides sick child care. A CCAP agency must include the CCAP agency's policy to make payments to two child care providers when a child is sick in the CCAP agency's child care fund plan.

B. If the county a CCAP agency chooses to pay a special needs rate for the care of a sick child care, payment for sick child care must be at a rate comparable to like care arrangements in the county. The county's sick child care policy and A CCAP agency must include the CCAP agency's special needs rate shall be included for child care of sick children in the county's CCAP agency's child care fund plan required under part 3400.0150.

Subp. 9. Payment during child absences and holidays.

A. If a child care provider does not charge all families for days on which a child is absent from child care, the child care assistance program must not pay that the child care provider for days on which a child is absent from care.

B. If a child care provider charges all families for days on which a child is absent from child care, the child care assistance program must pay that the child care provider for child absent days according to Minnesota Statutes, section 119B.13, subdivision 7.

C. Child care provider charges for absent days in excess of the amount established by Minnesota Statutes, section 119B.13, subdivision 7, are the responsibility of the family receiving child care assistance.

D. A CCAP agency must pay a child care provider must be paid for a holiday days only if:

(1) according to the child care provider meets the requirements in Minnesota Statutes, section 119B.13, subdivision 7, paragraph (b); (d);

(2) the day is a state or federal holidays are holiday as determined according to Minnesota Statutes, section 645.44, subdivision 5; or another cultural or religious holiday designated by the child care provider;

(3) A provider can be paid for a holiday day only if the provider meets the requirements in Minnesota Statutes, section 119B.13, subdivision 7, paragraph (b); the child care provider does not provide child care on the holiday, and it is in the provider's policies to charge all families for the holiday; that day;

(4) the child care provider gives notice of the holiday or other designated day to the CCAP agency before the holiday or designated day occurs or within ten calendar days after the day occurs; and

(5) the child care provider bills the day as a holiday.

If child care is available on the a holiday, but and a child is scheduled and authorized to be in the child care provider's care on that day and the child is absent on that day, the child care provider must bill the day is as an absent day.

If a provider is closed on a cultural or religious holiday not identified in Minnesota Statutes, section 645.44, subdivision 5, a parent may substitute that holiday for one of the ten state and federal holidays identified in Minnesota Statutes, section 645.44, subdivision 5, if the parent gives notice of the substitution to the county before the holiday occurs or within ten days after the holiday.

[For text of item E, see Minnesota Rules]

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F. A parentally responsible individual may substitute other cultural or religious holidays for the ten state and federal holidays identified in Minnesota Statutes, section 645.44, subdivision 5, if:

(1) the parentally responsible individual gives notice of the substitution to a CCAP agency before the holiday occurs or within ten calendar days after the holiday; and

(2) the substitution is for a day when the child care provider is closed and does not provide child care, and the child care provider agrees to bill the day as a holiday and notify the CCAP agency according to item D, subitem (4).

G. If a holiday falls on a Saturday, the preceding day is used as a holiday. If a holiday falls on a Sunday, the following day is used as a holiday.

H. A child with a documented medical condition may exceed the 25-absent-day limit, or ten consecutive full-day absent limit, as provided by Minnesota Statutes, section 119B.13, subdivision 7, paragraph (b). The following criteria apply.

(1) A medical practitioner, public health nurse, or school nurse must complete documentation of the child's medical condition. For purposes of this item, a medical practitioner includes a physician, physician's assistant, nurse practitioner, psychiatrist, psychologist, or chiropractor.

(2) If a child care provider sends a child home early from child care for a medical reason, documentation of the medical condition may be verified by a licensed or certified child care center director or child care center lead teacher. When the medical reason is verified by the child care center director or lead teacher, the exemption is limited to up to two weeks from the first day of the child's illness. To extend the exemption longer than two weeks, a person listed in subitem (1) must complete documentation of the child's medical condition.

(3) The exemption may begin on the first day of the child's illness, but not more than 30 days prior to the date that the CCAP agency receives documentation of the child's illness. When documentation is submitted by a medical practitioner, public health nurse, or school nurse, the exemption is limited to the time period of the child's medical condition or up to 12 months if the exemption is due to a chronic medical condition.

Subp. 10. Payment during medical leaves of absence. Counties A CCAP agency must grant authorize child care assistance for a schedule reporter during a parent's the schedule reporter's medical leave of absence from education or, employment, or authorized activity in an employment plan if:

A. the parent parentally responsible individual is incapable of providing unable to provide child care during due to the individual's medical leave or absence condition;

B. the parent parentally responsible individual is expected to return to authorized employment or, an approved education or training program, or employment plan activity within 90 calendar days after leaving the job, education; or training program, or activity; and

C. the necessity of the medical leave and the inability to provide child care are documented by a licensed physician or, licensed psychiatrist, licensed psychologist, or licensed social worker.

The amount of child care authorized during the medical leave of absence must not exceed the equivalent of one month of full-time 215 hours of child care per child.

[For text of subpart 11, see Minnesota Rules]

Subp. 12. Payment for child care provided at short-term alternate locations. When child care is not available at a certified license-exempt child care center where a CCAP agency has authorized a child to receive child care assistance and the child receives child care at an alternate location, a CCAP agency must make child care assistance payments under the child's current authorization if the following criteria are met:

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- A. the alternate location is a certified license-exempt child care center;
- B. the alternate location is registered to receive child care assistance;
- C. the alternate location is controlled by the same entity as the authorized certified license-exempt child care center and has the same tax identification number;
- D. the alternate location is identified by the authorized certified license-exempt child care center as an alternate location before a CCAP agency issues payment for child care that the child receives at the alternate location;
- E. child care is unavailable at the certified license-exempt child care center where the child is authorized to receive child care;
- F. the child receives child care for no more than 21 consecutive calendar days at the alternate location; and
- G. the alternate location fulfills all child care assistance program requirements in this chapter and Minnesota Statutes, chapter 119B, and all certification requirements in Minnesota Statutes, chapter 245H.

3400.0120 ELIGIBLE CHILD CARE PROVIDERS AND CHILD CARE PROVIDER REQUIREMENTS.

Subpart 1. **Eligible providers child care provider.**

- A. Providers A registered child care provider who meet meets the definition of a child care provider in Minnesota Statutes, section 119B.011, subdivision 19, are is eligible for payment payments from the child care fund. Within the limitations specified in Minnesota Statutes, sections 119B.09, subdivision 5, and 119B.25,
- B. parents A parentally responsible individual may choose one or more eligible child care providers that best meet the needs of their the individual's family. Parents may choose more than one provider. A county may not deny a parent eligible for child care assistance the use of a provider holding a valid child care license; with the following limitations:
 - (1) licensed family and legal nonlicensed child care providers and the child care provider's employees are not eligible to receive child care subsidies for their own children or children in their family during the hours that the child care providers and employees provide child care or are paid to provide child care;
 - (2) a licensed child care center or a certified license-exempt child care center must have no more than 25 authorized center employees' children or dependents at the child care center; and
 - (3) a CCAP agency must not authorize a child to receive care from any more than two of the following child care providers receiving payments from the child care fund:
 - (a) a licensed child care center;
 - (b) a licensed family child care provider; or
 - (c) a certified license-exempt child care center.
- C. A CCAP agency or the commissioner may take action against a child care provider according to Minnesota Statutes, section 119B.13, subdivision 6, paragraph (d), clauses (1) to (7). A CCAP agency must indicate in the agency's child care fund plan which clauses in Minnesota Statutes, section 119B.13, subdivision 6, paragraph (d), the agency is implementing and must apply the policies consistently. For the purposes of implementing Minnesota Statutes, section 119B.13, subdivision 6, paragraph (e), a CCAP agency or the commissioner must (1) develop standards to define when a child care provider has corrected a condition, and (2) describe the conditions under which the CCAP agency or commissioner will withhold a child care provider's payment within the three-month time period. If a CCAP agency or

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the commissioner develops standards for escalating consequences to a child care provider within the three-month time period, any violation that the CCAP agency or the commissioner establishes under Minnesota Statutes, section 119B.13, subdivision 6, paragraph (d), is treated as a statewide occurrence. If the CCAP agency or commissioner terminates a child care provider's registration, the child care provider must complete the registration process in Minnesota Statutes, section 119B.011, subdivision 19a, and a CCAP agency or the commissioner must determine that the child care provider has re-established eligibility before the child care provider may receive any child care assistance payments.

Subp. 1a. **Child care provider registration and acknowledgment.** A child care provider must sign and submit a child care provider registration and acknowledgment and the county must have a signed provider acknowledgment form and register as a child care provider before the child care provider or parent may a parentally responsible individual is eligible to receive payment under payments from the child care fund. The process for registering a child care provider eligible for payments from the child care fund must not exceed 30 calendar days from the date that the child care provider's registration and acknowledgment form is received or the date the child care provider's background study determination required by Minnesota Statutes, section 119B.125, subdivision 1a, is received, whichever is later. The child care provider registration and acknowledgment form must include the following information:

A. the child care provider's rate, charges for child absences and holidays, any notice days required before a child discontinues receiving child care, and any required registration or activity fees;

B. documentation of the child care provider's license status and, if the child care provider is seeking the provider accreditation rate bonus, any a higher rate for quality based on accreditation or credential, documentation of the accreditation or credential held by the child care provider;

C. a statement acknowledging that charging child care assistance participants more than families who are not receiving child care assistance for like services or wrongfully obtaining child care assistance may be investigated and may be a crime;

D. a statement acknowledging that parents a parentally responsible individual must be given unlimited access to their children the individual's child and to the child care provider caring for the children child during all hours that the children are child is in the child care provider's care;

E. a statement acknowledging that the child care provider is responsible for notifying the county CCAP agency as provided in subpart 5 of child absence days, reduced attendance, and the end of child care;

F. a statement acknowledging that the child care provider is responsible for immediately notifying the county of reporting any changes to the information supplied by the child care provider in the provider's registration and acknowledgment form;

G. a statement acknowledging that the child care provider is a mandated reporter of maltreatment of minors under Minnesota Statutes, chapter 260E; and

H. a statement acknowledging that when the county CCAP agency knows that a particular child care provider or child care arrangement is unsafe, the county CCAP agency may deny child care assistance payments to that the child care provider: while following the termination notice requirements in part 3400.0185, subpart 13;

I. a statement acknowledging that the child care provider is responsible for maintaining daily attendance records according to Minnesota Statutes, section 119B.125, subdivision 6;

J. a statement acknowledging that the child care provider is responsible for maintaining documentation of payment of child care expenses by a source other than the child's family according to Minnesota Statutes, section 119B.09, subdivision 11;

K. a statement acknowledging that if the child care provider receives an overpayment from the child care fund,

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the CCAP agency or the commissioner must deduct the overpayment from payments under part 3400.0187; and

L. a statement acknowledging that the child care provider must not bill for a holiday unless the child care provider provides child care on the holiday, the child is scheduled and authorized to be in child care on the holiday, and the child care provider correctly indicates the day of the holiday when billing.

Subp. 1b. [Repealed, 33 SR 695]

Subp. 1c. **Registration of licensed child care centers, licensed family child care providers, and certified license-exempt child care centers.** To register as a child care provider, a licensed child care center, a licensed family child care provider, and a certified license-exempt child care center must provide:

A. the child care provider registration and acknowledgment form required by subpart 1a;

B. a completed request for taxpayer identification number and certification when a child care provider is registering for the first time or registering after the child care provider's registration has been terminated; and

C. a statement acknowledging that the child care provider must not bill for absent days unless a child is absent for all scheduled hours on a day and the child care provider correctly indicates the absent day when billing.

Subp. 1d. **Certification of license-exempt child care centers.** For a license-exempt child care center to receive payments from the child care fund, the license-exempt child care center must be registered, eligible under subpart 1, and certified under Minnesota Statutes, chapter 245H. If the child care provider loses the child care provider's certification under Minnesota Statutes, chapter 245H, the child care provider's registration and all of the child care provider's child care authorizations must be terminated with a 15-day adverse action notice.

Subp. 2. **Authorization Registration of legal nonlicensed child care providers.**

A. A legal nonlicensed provider must be authorized by the county before the provider or parent may receive a payment under the child care fund. To be authorized by the county register, a legal nonlicensed child care provider must provide the county with the following information:

(1) the child care provider's name, age, and address;

(2) the child care provider registration and acknowledgment form required by subpart 1a;

(3) an assurance that the child care provider is eligible to provide unlicensed child care under Minnesota Statutes, section 245A.03, subdivision 2, paragraph (a);

(4) a release to permit disclosure of information to the public on substantiated parental complaints concerning the health and safety of children in the child care provider's care to be disclosed to the public according to Minnesota Statutes, chapter 13;

(5) an assurance that the child care provider is in compliance with state and local health ordinances and building and fire codes applicable to the premises where the child care provider provides child care is provided; and

(6) an acknowledgment a statement acknowledging that the parent parentally responsible individual and the legal nonlicensed child care provider have reviewed the health and safety information provided by the county during the registration process;

(7) a statement acknowledging that the legal nonlicensed child care provider must notify the CCAP agency when any of the following events occur: a child dies in the child care provider's care, a child has been maltreated in the child care provider's care, or a child has had a serious injury requiring treatment by a physician in the child care provider's care;

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(8) a statement acknowledging that the legal nonlicensed child care provider is not currently excluded or debarred from being a child care provider in any program administered by the commissioner; and

(9) verification of training required by subpart 6 and Minnesota Statutes, section 119B.125, subdivision 1b.

B. A legal nonlicensed providers child care provider who will receive payment from the county child care fund must provide the county with the child care provider's Social Security number or tax identification number. The county may ask legal nonlicensed providers who will not receive payment from the county for their Social Security numbers; but legal nonlicensed providers who will not receive payment from the county are not required to disclose this information. Before asking for a legal nonlicensed provider's Social Security number, the county must tell The legal nonlicensed child care provider whether that disclosure is mandatory or voluntary, by must be informed under what statutory or other authority the number is solicited; and how the number will be used.

C. Legal nonlicensed family child care providers also must provide the county with an assurance that the child care provider will obtain an immunization record for each child in the child care provider's care within 90 30 days of starting to the first day providing child care for the child.

D. At the time of registration, a legal nonlicensed child care provider must be provided with health and safety materials supplied by the commissioner.

E. A legal nonlicensed child care provider must be informed that a record of substantiated parental complaints concerning the health and safety of children in the care of legal nonlicensed child care providers will be kept and that, upon request, information governing substantiated complaints must be released to the public as authorized under Minnesota Statutes, chapter 13.

Subp. 2a. **Release for in-home child care providers.** To be authorized, An in-home child care provider must register as a child care provider and sign a release allowing the parent parentally responsible individual employing that the child care provider to see receive information on the remittance advice about the amount of any funds being withheld from the payment for of the child care provider and the reason for those the withholdings. An in-home child care provider must be a legal nonlicensed child care provider or a child care provider licensed to provide child care in the child's home.

Subp. 3. **Parental access to children in child care.** Providers A child care provider must permit parents give a parentally responsible individual unlimited access to their children the parentally responsible individual's child and to the child care provider caring for their children the child during all hours the children are that the child is in the child care provider's care of the provider.

Subp. 4. [Repealed, 26 SR 253]

Subp. 5. **Notice to county required when care has terminated Child care provider reporting requirements.**

A. In addition to the reporting requirements in Minnesota Statutes, section 119B.125, subdivision 9, when a child care provider knows that a family has ended terminated child care with the child care provider, the child care provider must notify the county CCAP agency that a family has terminated child care has been terminated. When a child care provider believes that a family will be ending child care with the child care provider, the child care provider must immediately notify the county a CCAP agency of the date on which the child care provider believes that the family will end child care. A child care provider must also notify the county a CCAP agency if a child or children have been absent for more than seven consecutive scheduled days. With the exception of the reporting requirements in Minnesota Statutes, section 119B.125, subdivision 9, a child care provider may notify a CCAP agency of a change by reporting the change in person, by telephone, by facsimile, by mail, electronically, by e-mail, or by reporting the change when billing or on a change reporting form.

B. A legal nonlicensed child care provider must report to the CCAP agency when any of the following events

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occur: a child dies in the child care provider's care, a child is maltreated in the child care provider's care, or a child has a serious injury requiring treatment by a physician in the child care provider's care.

Subp. 6. [Renumbered subp 7]

Subp. 6. Legal nonlicensed child care provider training requirements.

A. In addition to the training requirements in Minnesota Statutes, section 119B.125, subdivision 1b, a legal nonlicensed child care provider must complete:

(1) pediatric first aid training provided by an individual approved to provide pediatric first aid instruction. A child care provider's pediatric first aid training must be valid at the time of the child care provider's registration approval;

(2) preventing sudden unexpected infant death syndrome training approved by the commissioner that the child care provider completed within two years prior to receiving an initial authorization to care for a child under one year of age;

(3) preventing abusive head trauma training approved by the commissioner that the child care provider completed within two years prior to receiving an initial authorization to care for a child under five years of age; and

(4) federal health and safety requirements approved by the commissioner within 90 days of receiving authorization to care for a child who is not related to the child care provider. If a child care provider does not complete training under this subitem within 90 days of receiving an authorization to care for an unrelated child, the child care provider's authorization for all unrelated children must be terminated with a 15-day adverse action notice. If a child care provider completes training under this subitem, the child care provider is eligible for an authorization for an unrelated child effective on the date that the child care provider completes training under Minnesota Statutes, sections 119B.09, subdivision 7, and 119B.13, subdivision 6, paragraph (c).

B. At each registration renewal, a legal nonlicensed child care provider caring for an unrelated child must have:

(1) pediatric first aid training provided by an individual approved to provide pediatric first aid instruction. A child care provider's pediatric first aid training must be valid at the time of the child care provider's registration renewal approval;

(2) pediatric cardiopulmonary resuscitation training provided by an individual approved to provide pediatric cardiopulmonary resuscitation training. A child care provider's pediatric cardiopulmonary resuscitation training must be valid at the time of the child care provider's registration renewal approval; and

(3) federal health and safety requirements training approved by the commissioner that the child care provider completed within the last 12 months.

C. A legal nonlicensed child care provider must attest and verify that the legal nonlicensed child care provider has completed all required training.

Subp. 6.7. Legal nonlicensed child care provider capacity and age distributions.

A. A legal nonlicensed child care provider, as defined by Minnesota Statutes, section 119B.011, subdivision 16, is eligible for payment from the child care fund for up to eight children who are ~~11~~ 12 years of age and younger and ~~for any additional children who are 12 years of age and older under Minnesota Statutes, section 119B.011, subdivision 4~~ 13 or 14 years of age with special needs due to a disability. The children must be:

(1) related to the child care provider;

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- (2) unrelated to the child care provider from a single family; or
- (3) related to the child care provider and unrelated to the child care provider from a single family.

B. When a legal nonlicensed child care provider cares for children, the children must be within the following age distributions to be eligible for payment from the child care fund:

- (1) there must be no more than two children who are at least six weeks old but less than 12 months old;
- (2) there must be no more than three children who are less than 24 months old within the age limits of subitem (1); and
- (3) there must be no more than six children who are five years of age or younger within the age limits of subitems (1) and (2).

C. ~~An administering A CCAP~~ agency must consider the following factors when authorizing child care with a legal nonlicensed child care provider:

(1) ~~Children who are 11 years of age and younger count toward the eight-child limit. An administering agency may authorize child care for children who are 12 years of age and older up to the ages allowed by Minnesota Statutes, section 119B.011, subdivision 4. Children who are 12 years of age and older do not count toward the eight-child limit. Children who are 13 or 14 years of age with special needs due to a disability and authorized for payment under the child care fund count toward the eight-child limit.~~

(2) The total number of children who are 11 years of age and younger must include the legal nonlicensed child care provider's own children when the child care provider's own children are present at the child care site.

(3) The limit of eight children ~~who are 11 years of age and younger as described in subitems (1) and (2)~~ applies at all times to the child care site.

Subp. 8. Legal nonlicensed child care provider health and safety requirements.

A. A legal nonlicensed child care provider must comply with all applicable federal health and safety requirements, including preventing and controlling infectious diseases, administering medications, preventing and responding to allergic reactions, ensuring building and physical premises safety, handling and disposing of bodily fluids, transporting children, preventing and reporting child abuse and neglect, emergency preparedness and response, child development, and the federal health and safety training requirements in subpart 6.

B. A legal nonlicensed child care provider must develop an emergency preparedness plan and make the plan available to a CCAP agency upon request. A CCAP agency must give a child care provider 15 calendar days to submit an emergency preparedness plan, if requested by the CCAP agency. If a child care provider fails to make the child care provider's emergency preparedness plan available to a CCAP agency, the child care provider's registration and all of the child care provider's child care authorizations must be terminated with a 15-day adverse action notice.

Subp. 9. Legal nonlicensed child care provider annual monitoring.

A. Any legal nonlicensed child care provider who is authorized to care for an unrelated child must complete an initial annual monitoring visit within 12 months of child care authorization. The initial annual monitoring visit includes evaluating the child care environment and determining whether the child care provider meets the health and safety requirements in subpart 8.

B. After the initial annual monitoring visit, a legal nonlicensed child care provider must complete a subsequent annual monitoring visit within 12 months of the initial visit for child care authorization of an unrelated child to continue. If a CCAP agency terminates a child care provider's child care authorization of an unrelated child and the CCAP

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agency later issues a new authorization to the child care provider for an unrelated child, the child care provider must complete an annual monitoring visit within 12 months of the previous visit or within 90 days from the date that a CCAP agency issued the child care authorization, whichever is later.

C. The commissioner must publicly post monitoring visit result summaries online.

D. If a legal nonlicensed child care provider does not demonstrate full compliance with the health and safety requirements in subpart 8 and the child care provider may demonstrate compliance by submitting additional written information, a CCAP agency must allow the child care provider 15 calendar days to submit the additional information. If a CCAP agency does not receive written information establishing the child care provider's compliance with health and safety requirements, the child care provider's registration and all of the child care provider's child care authorizations must be terminated with a 15-day adverse action notice.

E. If a legal nonlicensed child care provider does not comply with at least one health and safety requirement under subpart 8 and the child care provider is unable to demonstrate compliance by submitting additional written information, the child care provider's registration and all of the child care provider's child care authorizations must be terminated with a 15-day adverse action notice.

F. If a legal nonlicensed child care provider's registration is terminated for the child care provider's failure to demonstrate compliance with the annual monitoring visit, the CCAP agency must identify the conditions under which the child care provider may become eligible to receive child care assistance payments in the CCAP agency's child care fund plan.

G. If a legal nonlicensed child care provider is not available for a scheduled annual monitoring visit, a CCAP agency must allow 15 calendar days for the child care provider to reschedule the annual monitoring visit. If a child care provider is not available for a rescheduled visit, a CCAP agency must terminate the child care provider's authorizations for unrelated children with a 15-day adverse action notice. Once an annual monitoring visit is complete, a child care provider is eligible for child care authorizations for unrelated children effective on the date that the visit is completed under Minnesota Statutes, sections 119B.09, subdivision 7, and 119B.13, subdivision 6, paragraph (c).

H. If the annual monitoring visit reveals unsafe care as defined in the CCAP agency's child care fund plan, the child care provider's registration and all of the child care provider's child care authorizations must be terminated with a 15-day adverse action notice.

I. If the annual monitoring visit reveals imminent risk as defined in the CCAP agency's child care fund plan, the child care provider's registration and all of the child care provider's child care authorizations must be terminated as required by part 3400.0185, subpart 13.

3400.0130 CHILD CARE ~~PROVIDER~~ ASSISTANCE PROGRAM MAXIMUM RATES.

Subpart 1. **Rate determination.** The commissioner shall must determine the applicable child care assistance program maximum rate as described in Minnesota Statutes, section 119B.13. Any rate survey conducted by the commissioner shall as described in Minnesota Statutes, section 119B.02, must include a survey of registration fees when it is usual and customary for a category of child care provider to charge registration fees.

Subp. 1a. **Maximum county Child care assistance program maximum rate.** Except as provided in this part, the maximum rate that payable by a county may pay CCAP agency for child care assistance is the child care provider's rate or the applicable maximum rate determined by the commissioner under Minnesota Statutes, section 119B.13, whichever is less. Except as provided in this part, if the provider's rate is more than the applicable maximum rate, the county may not pay more than the difference between the applicable maximum rate and the family's copayment fee. In Minnesota, the child care assistance program maximum rate must be based on the county, or city when applicable, where a child care provider provides child care. Outside Minnesota, the child care assistance program maximum rate must be based on the participant's county of residence.

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Subp. 1b. **Child care provider charges and registration fees in excess of maximum child care payment.** A CCAP agency must not pay a child care provider more than the child care assistance program maximum rate and registration fee. In addition to any copayment, a family is responsible for:

- A. the difference between the child care assistance program maximum rate and the child care provider rate;
- B. any charges that exceed the allowable CCAP payment under part 3400.0110, subpart 3d;
- C. the difference between the applicable maximum registration fee and the child care provider registration fee when the child care provider charge does not include the registration fee;
- D. the child care provider registration fee when a CCAP agency has paid two registration fees per child in a 12-month period; and
- E. any other fees that the child care provider charge does not include.

A third party may pay part or all of a family's child care expenses under Minnesota Statutes, section 119B.09, subdivision 11.

Subp. 2. **Rate determination for certified license-exempt child care centers.** ~~Rates paid to~~ A CCAP agency must pay a certified license-exempt child care center as defined in Minnesota Statutes, section 245A.03, subdivision 2 245H.01, subdivision 5, must be the applicable maximum rate for licensed child care centers or the child care provider rate, whichever is less.

Subp. 2a. [Repealed, 30 SR 1318]

Subp. 3. **Rate determination; children with special needs for special needs due to disability or inclusion in at-risk population.** ~~A county CCAP agency must submit a request to pay a special needs rate for a child with a disability or for a child care provider caring for a child in an at-risk population to the commissioner. The request must be submitted with or as an amendment to the county child care fund plan. Upon written approval by the commissioner, the approved special needs rate must be paid retroactive to the date of the provider or parent request for the special needs rate. The commissioner must evaluate a request for a special needs rate using the commissioner's methodology. Based on the commissioner's methodology, approved special needs rates may be lower than the requested rates.~~

Subp. 3a. **Rate determination; children with special needs due to disability.**

~~A. When a parent parentally responsible individual or a child care provider asks the county a CCAP agency for a special needs rate for an individual a child with disabilities a disability that exceeds the applicable maximum rate, the county CCAP agency must use the following process to determine whether a special needs rate is necessary and, if so, to establish the requested special needs rate. The county CCAP agency must:~~

- ~~A. (1) obtain documentary evidence of the child's disability;~~
- ~~B. (2) obtain the following documentation from the child care provider:~~
 - ~~(+) (a) a description of the specialized training, services, or environmental adaptations that the child care provider will furnish to meet the individual needs of the child;~~
 - ~~(-) (b) the child care provider's assurance of compliance with applicable provisions of the Americans with Disabilities Act;~~
 - ~~(+) (c) the child care provider's assurance that the rate being sought that the child care provider is requesting is the same as the rate that would be charged for similar services provided to a child with a disability in a family not receiving child care assistance; and~~

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(4) (d) if applicable, a statement from the child care provider explaining that the rate that the child care provider charges for all children in child care should be adopted as the special needs rate for the child with disabilities a disability because the child care provider has chosen to spread the cost of caring for children with special needs across all families in child care; and

~~C.~~ (3) seek the commissioner's approval and determination of the special needs rate as provided in subpart 3. The commissioner must evaluate the request and, upon approval, allow a CCAP agency to pay a special needs rate at 75 percent, 150 percent, or 200 percent of the applicable maximum rate by assessing the child's needs in the following areas:

- (a) special medical needs and health;
- (b) behavioral issues;
- (c) mobility;
- (d) communication skills;
- (e) self-sufficiency; and
- (f) extra supervision for safety; and

(4) notify the child care provider and parentally responsible individual of the commissioner's decision in writing, including the reasons for approval or denial.

B. Upon written approval by the commissioner, a CCAP agency must pay the approved special needs rate retroactively from the date of the child care provider's or parentally responsible individual's request for the special needs rate under Minnesota Statutes, sections 119B.09, subdivision 7, and 119B.13, subdivision 6. A special needs rate approval must not exceed a time period of 12 months. If a parentally responsible individual or child care provider requests a special needs rate for longer than 12 months, the parentally responsible individual or child care provider must seek a renewal of the special needs rate by the end of the 12-month period.

Subp. 3b. **Rate determination; child care provider who serves children with special needs due to inclusion in at-risk population.** To determine a special needs rate for a child who is included child care provider caring for children in an at-risk population as defined in the county's CCAP agency's child care fund plan, the county a CCAP agency must use the following procedures. The county must:

A. obtain documentary evidence showing that the child is included that the children that the child care provider serves are predominantly in the at-risk population defined in the county's CCAP agency's child care fund plan;

B. obtain the following documentation from the child care provider:

(1) a description of the specialized training, services, or environmental adaptations that the child care provider will furnish receive or provide to meet the individual needs of the child or the children in the at-risk population;

(2) the child care provider's assurance that the rate being sought that the child care provider is requesting is the same as the rate that the child care provider would be charged charge for similar services provided to a child in the at-risk population in a family that is not receiving child care assistance; and

(3) if applicable, a statement from the child care provider explaining that the rate that the child care provider charges for all children in the child care provider's care should be adopted as the special needs rate for the child children in the at-risk population because the child care provider has chosen to spread the cost of caring for children with special needs across all families in receiving child care from the child care provider;

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C. determine how many child care providers in the county offer child care for children in the at-risk population;

D. identify the 75th percentile rate if the county CCAP agency finds that four or more child care providers offer child care for children in the at-risk population and pay the 75th percentile rate, the rate negotiated with the child care provider by the county CCAP agency, or the child care provider's rate, whichever is less;

E. pay the lesser of the rate negotiated with the child care provider by the county CCAP agency or the child care provider's rate if the county CCAP agency finds that fewer than four child care providers offer child care for children in the at-risk population; and

F. seek the commissioner's approval of the special rate as ~~provided in subpart 3~~ determined under subitem D or E. A CCAP agency must submit the special needs rate request for the commissioner's approval with or as an amendment to the CCAP agency's child care fund plan.

Upon written approval by the commissioner, a CCAP agency must pay the approved special needs rate retroactively from the date of the child care provider's request for the special needs rate under Minnesota Statutes, sections 119B.09, subdivision 7, and 119B.13, subdivision 6.

Subp. 4. [Repealed, 26 SR 253]

Subp. 5. ~~**Child care rate Age categories.** Child care payments shall be based on the applicable maximum rates in the county where care is provided when the care is provided in Minnesota. When child care is provided outside the state of Minnesota, the maximum rate must be based on the applicable maximum rate in the participant's county of residence. If a child remains in an age-based child care setting beyond the age at which the licensing laws would allow that child to move to a different age-based child care setting and (1) the child's age is within the range allowed by the licensing laws for that age-based child care setting, or (2) the child is in that age-based child care setting due to a licensing variance, the maximum rate paid for that child's care must be the rate for the age-based child care setting in which the child is located. A child is considered to be in the school-age rate category on the September 1 following the child's fifth birthday unless the parent informs the county that the child will not be starting school. All changes to provider rates shall be implemented on the Monday following the effective date of the rate change. A CCAP agency must determine a child's maximum child care assistance rate according to the age of the child and the type of child care provider caring for the child as follows.~~

A. The age categories in Minnesota Statutes, section 245A.02, subdivision 19, apply to a licensed family child care provider and to a legal nonlicensed child care provider.

B. The age categories in part 9503.0005, subpart 2, apply to a licensed child care center.

C. The age categories in Minnesota Statutes, section 245H.08, subdivisions 4 and 5, apply to a certified license-exempt child care center.

D. If a licensed family child care provider or a licensed child care center cares for the child, a CCAP agency must base the maximum rate that the agency pays for the child's care on a different age category when a parentally responsible individual or child care provider notifies the CCAP agency that the child's setting or age category differs from the applicable age category under item A or B; and:

(1) the child meets the age criteria to qualify for the licensing provision for age flexibility for licensed centers under part 9503.0040, subpart 4, item A; or

(2) the commissioner has granted a licensing variance to the child's licensed child care center under part 9503.0005, subpart 26, or licensed family child care provider under part 9502.0315, subpart 31.

E. A CCAP agency must consider a child to be in the school-age rate category on September 1 following the child's fifth birthday unless the parentally responsible individual informs the CCAP agency that the child will not be starting school.

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Subp. 5a. **Rates for in-home care.** When a child care is provided provider cares for a child in the child's home under Minnesota Statutes, section 119B.09, subdivision 13, a CCAP agency must base the applicable maximum rate ~~must be based~~ on the allowable rate for a legal nonlicensed family child care provider. If a child care provider is licensed to care for a child in the child's home, a CCAP agency must base the applicable maximum rate on the allowable rate for a licensed child care provider.

Subp. 6. [Repealed, 26 SR 253]

Subp. 7. **Payment of registration fees.** If a child care provider charges families a family a registration fee to enroll ~~children~~ a child in the child care provider's program and ~~the registration fee is not included in the child care provider rate~~ does not include the registration fee, the county shall a CCAP agency must pay the child care provider registration fee or the 75th percentile of the registration fees surveyed in subpart 1, whichever is less up to the applicable maximum registration fee that the commissioner determines under Minnesota Statutes, section 119B.13. The county may A CCAP agency must not pay for more than two registrations per child in a 12-month period.

Subp. 8. [Repealed, L 2011 1Sp9 art 3 s 35]

Subp. 9. [Repealed, 26 SR 253]

Subp. 10. [Repealed, 26 SR 253]

3400.0140 ~~COUNTY~~ RESPONSIBILITIES OF A CCAP AGENCY.

Subpart 1. **~~County~~ CCAP agency child care assistance policies and procedures.** ~~Counties shall~~ A CCAP agency must adopt policies and procedures for providing child care assistance to enable eligible applicants to seek or retain employment or to participate in education or training programs. All ~~county adopted~~ CCAP agency policies that apply to child care assistance must be in writing and must be included in the ~~county's biennial~~ CCAP agency's child care fund plan and must be approved by the commissioner as required under part 3400.0150.

Subp. 2. **Child care assistance information.** ~~The county shall~~ A CCAP agency must provide information on child care assistance to families, child care service providers, social service agencies, and the local news media ~~as it deems necessary~~ to ensure the full use of ~~its~~ the CCAP agency's child care fund allocation.

Subp. 3. [Repealed, 26 SR 253]

Subp. 4. [See repealer.]

Subp. 5. [See repealer.]

Subp. 5a. [Repealed, 33 SR 695]

Subp. 6. **Duties upon receipt of ~~complaints~~ complaint against legal nonlicensed ~~providers~~ child care provider.** Within 24 hours of receiving a complaint concerning the health or safety of children under in the care of a legal nonlicensed child care provider, a county CCAP agency must relay the complaint to:

A. the county's or Tribe's child protection agency if the complaint alleges child maltreatment as defined in Minnesota Statutes, section 260E.03, subdivision 12;

B. the county's or Tribe's public health agency if the complaint alleges a danger to public health due to communicable disease, unsafe water supply, sewage or waste disposal, or building structures;

C. local law enforcement if the complaint alleges criminal activity that ~~may endanger~~ endangers the health or safety of children under care; or

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D. other agencies with jurisdiction to investigate complaints relating to the health and safety of a child.

If a complaint is substantiated under item A, the county CCAP agency must keep a record of the substantiated complaint as provided in Minnesota Statutes, section 260E.35, subdivision 6. If a complaint is substantiated under items B to D, the county CCAP agency must keep a record of the substantiated complaint for three years. Upon request, a CCAP agency must release information governing substantiated complaints shall be released to the public as authorized under Minnesota Statutes, chapter 13. Upon receiving notice of a substantiated complaint under items A to D, ~~the county shall~~ a CCAP agency must determine if the complaint meets the criteria for imminent risk or unsafe care in the CCAP agency's child care fund plan. A CCAP agency must not make subsequent payments to that a child care provider from the child care fund for child care services provided by that provider that the child care provider provides after the date of the termination notice under part 3400.0185, subpart 13, unless the child care provider has corrected the conditions underlying the substantiated complaint have been corrected. If a CCAP agency terminates a child care provider's registration, the child care provider must complete the registration process in Minnesota Statutes, section 119B.011, subdivision 19a, after the child care provider has corrected the conditions underlying the substantiated complaint and becomes eligible under part 3400.0120 to receive child care assistance payments. When substantiated maltreatment occurs in a legal nonlicensed child care setting and a child dies or a child has a serious injury in the legal nonlicensed child care setting that requires treatment by a physician, the commissioner and any CCAP agency must always consider the legal nonlicensed child care setting unsafe and the child care provider is no longer eligible to receive child care assistance.

Subp. 7. **County and Tribal contracts and designation of administering agency for administration of child care fund.** ~~Counties~~ A county or Tribe may contract for the administration of all or part of the child care fund. The A county shall or Tribe must designate the agency authorized that the county or Tribe authorizes to administer the child care fund in the county's or Tribe's child care fund plan. The county or Tribe must describe in its child care fund plan how it will oversee the contractor's performance submit a copy of the current contract with the subcontracted agency that describes the subcontracted agency's responsibilities.

Subp. 8. **Agreement with employment and training services providers.** Cooperative agreements with employment and training services providers must specify that MFIP families participating in employment services and meeting the requirements of part 3400.0080 are eligible for child care assistance from the county CCAP agency responsible for the MFIP participant's approved ~~job search support or employment plan~~ or according to Minnesota Statutes, section 256G.07.

Subp. 9. **Local match.** The county ~~shall~~ or Tribe must provide a local match according to Minnesota Statutes, section 119B.11, subdivision 1.

Subp. 9a. **Child care assistance funding.** In the manner prescribed by the commissioner, ~~counties shall claim a~~ CCAP agency must use funding for child care expenditures for all eligible recipients who are in employment, education, training, or other preemployment activities allowed under the federal and state reimbursement programs. The commissioner shall must allocate any federal or state earnings to the county CCAP agency that claimed used the funding and the county shall CCAP agency must use the earnings to expand funding for child care services.

Subp. 10. **Eligibility priorities for beginning assistance.** If a county's CCAP agency's basic sliding fee program allocation for child care is insufficient to fund all of the applications that the CCAP agency receives for child care assistance, the county CCAP agency may prioritize eligibility among the groups that remain to be served after the county CCAP agency has complied with the priority requirements ~~set forth~~ in Minnesota Statutes, section 119B.03, subdivision 4. ~~The county shall~~ A CCAP agency must include its the agency's rationale for the prioritization of eligibility for beginning assistance in its biennial the CCAP agency's child care fund plan. To the extent of available allocations, no a CCAP agency must not exclude any eligible family may be excluded who has submitted a complete application from receiving child care assistance.

Subp. 11. [Repealed, 26 SR 253]

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Subp. 12. [Repealed, 26 SR 253]

Subp. 13. [Repealed, 26 SR 253]

Subp. 14. ~~Child care fund reports~~ **Reporting requirements.** ~~Counties~~ A CCAP agency must submit financial ~~and~~, program activity, and child care provider reports according to instructions and schedules that the commissioner establishes after considering such factors as the ~~department's~~ commissioner's need to receive ~~county~~ data in a manner and ~~on~~ according to a schedule that meets ~~federal~~ reporting deadlines and the ~~counties'~~ CCAP agency's need for lead time when changes in reporting requirements occur.

Subp. 15. [Repealed, 26 SR 253]

Subp. 16. [Repealed, 26 SR 253]

Subp. 17. [Repealed, 26 SR 253]

Subp. 18. [Repealed, 26 SR 253]

Subp. 19. [Repealed, 33 SR 695]

Subp. 20. [Repealed, 26 SR 253]

Subp. 21. **Acting on changes.** A CCAP agency must act within ten calendar days from the date that a family reports a change or the change becomes known to the CCAP agency. A CCAP agency must consider a family's reporting responsibilities under part 3400.0040, subpart 4, to determine if a change requires CCAP agency action.

3400.0150 CHILD CARE FUND PLAN.

Subpart 1. ~~Submittal~~ **Submission of plan.** By the date established by the commissioner, ~~the~~ a county shall or Tribe must submit to the commissioner a biennial child care fund plan within the time frame in Minnesota Statutes, section 119B.08, subdivision 3. The commissioner may require updates of information in the child care fund plan as necessary to comply with this chapter, applicable Minnesota statutes, sections 119B.011 to 119B.16, and federal law laws and regulations.

Subp. 2. **Plan content.** ~~The~~ A child care fund plan must contain a complete description of the county's or Tribe's child care assistance program for applicants and participants eligible for assistance under Minnesota Statutes, chapter 119B. The child care fund plan must include the information required by Minnesota Statutes, section sections 119B.08, subdivision 3, and 119B.125, subdivision 4; the information required by this chapter, including the conditions that the county or Tribe recognizes as presenting an imminent risk of harm; and all written county and Tribal forms, policies, and procedures used to administer the child care funds. The child care fund plan must describe how it the county or Tribe serves persons with limited English proficiency; as required by title VI of the Civil Rights Act of 1964, United States Code, title 42, sections 2000, et seq. The information in the plan must be in the form prescribed by that the commissioner and must include a description of the process used to assure that the information, forms, and notices about child care assistance are accurate, clearly written, and understandable to the intended recipient prescribes.

Subp. 2a. **Plan approval.** A county or Tribe must submit a complete child care fund plan to the commissioner for approval. The child care fund plan must comply with this chapter; Minnesota Statutes, chapter 119B; and federal law. Once the commissioner approves of the child care plan fund, the county or Tribe must receive written approval from the commissioner within the time frame in Minnesota Statutes, section 119B.08, subdivision 3. The child care fund plan must include information on how the county or Tribe will make the approved plan available to the public.

Subp. 3. **Plan amendments.** A county or Tribe may submit a written request to amend ~~its~~ the county's or Tribe's child care fund plan at any time but and the commissioner must approve of the amendment must be approved by the commissioner before it the amended plan becomes effective. If approved by the commissioner approves of the

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amendment, the amendment is effective on the date requested by the county or Tribe unless a different effective date is set by the commissioner. The commissioner must approve or deny plan amendments must be approved or disapproved by the commissioner within 60 days after receipt of the amendment request. A county or Tribe must include the approved amendment when making the approved plan available to the public.

3400.0170 INCOME ELIGIBILITY FOR CHILD CARE ASSISTANCE.

Subpart 1. **Proof of income eligibility.** An applicant requesting child care assistance must provide proof of income eligibility. For the purpose of determining income eligibility, gross annual income is the gross income of the family for the current month multiplied by 12, the gross income for the 12-month period immediately preceding the date of application, or the gross income calculated by the method that provides the most accurate assessment of gross annual income available to the family. The administering A CCAP agency must use the method that provides the most accurate assessment of gross annual income currently available to the family. An applicant must verify counted income must be verified as described in subpart 4 with documentary evidence. If the an applicant does not have submit sufficient evidence of counted income to a CCAP agency, the administering CCAP agency must offer the applicant the opportunity to sign an informational release to permit the administering CCAP agency to verify whether the applicant qualifies for child care assistance.

Subp. 1a. **Income limits.** Income limits vary for applicants and participants under Minnesota Statutes, section 119B.09, subdivision 1.

A. To be income eligible at application, a family's gross annual income after allowable deductions under subpart 6a must be at or below:

(1) 47 percent of the state median income, adjusted for family size, for basic sliding fee child care assistance or student parents;

(2) 67 percent of the state median income, adjusted for family size, for MFIP or DWP child care assistance; or

(3) 47 percent of the state median income, adjusted for family size, for transition year child care assistance if a family does not receive MFIP and DWP child care assistance. If a family's MFIP or DWP grant is closing and the family receives MFIP or DWP child care assistance, a CCAP agency must consider the family a participant and the family is subject to the income limits in items B and C.

B. To be income eligible at redetermination, a family's gross annual income after allowable deductions must be at or below 67 percent of the state median income, adjusted for family size. This limit applies to all participants.

C. To maintain income eligibility during the 12-month eligibility period, a family's gross annual income after allowable deductions must be at or below 85 percent of the state median income, adjusted for family size. This limit applies to all participants.

D. A CCAP agency must consider a family a participant when the family receives child care assistance and becomes temporarily ineligible under part 3400.0040, subpart 17, subject to the income limits in items B and C. A CCAP agency must consider a family a basic sliding fee applicant when the family on the basic sliding fee waiting list reaches the top of the waiting list and is temporarily ineligible under part 3400.0040, subpart 17, subject to the income limit in item A, subitem (1).

E. A family that is suspended under part 3400.0040, subpart 18, is considered a participant and is subject to the income limits in items B and C during the suspension and after the suspension ends.

F. If a family becomes ineligible while receiving child care assistance, a CCAP agency must terminate the family's child care assistance. If a formerly ineligible family applies for child care assistance, a CCAP agency must consider the family an applicant and the family is subject to the income limits in item A.

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Subp. 2. [Repealed, 26 SR 253]

Subp. 3. **Evaluation of income.** ~~The administering A CCAP agency shall~~ must determine the income received that a family receives or that is available to a family according to subparts 4 to 11. All income, unless specifically excluded in subpart 6, must be counted as income.

Subp. 4. **Determination of gross annual income.** The income standard for determining eligibility for child care assistance is a family's gross annual income. A family's gross annual income is the sum of each family member's income sources under Minnesota Statutes, sections 119B.011, subdivision 15, and 256P.01, subdivisions 3 and 8, including earned income, self-employment income, unearned income, and lump sum payments, which must be treated according to subpart 13. A CCAP agency must include negative self-employment income must be included in the determination of a family's gross annual income, resulting in a reduction in total gross annual income. Lump sum payments that a family receives prior to participating in the child care assistance program are not included in the family's total gross annual income. If a participant's eligibility ends after receiving a lump sum and the participant reapplies for child care assistance, a CCAP agency must count the lump sum for 12 months from the date of the lump sum receipt. A CCAP agency must calculate earned income, self-employment income, unearned income, and lump sum payments must be calculated separately.

Subp. 4a. **Individuals with exempt income.** Certain individuals in a family participating in the child care assistance program are exempt from having a CCAP agency count some or all of their income.

A. Individuals under Minnesota Statutes, section 256P.06, subdivision 2, paragraph (a), are exempt from having a CCAP agency count their earned income.

B. A designated new spouse under Minnesota Statutes, section 256P.06, subdivision 2, paragraph (c), is exempt from having the designated new spouse's earned and unearned income counted when the designated new spouse's family income before exemption does not exceed 67 percent of the state median income and the family verifies the marriage date. If a family meets these requirements, the designated new spouse's earned and unearned income no longer counts for two service periods after a CCAP agency receives verification of the marriage date and continues not to count for up to 26 service periods.

Subp. 5. [Repealed, L 2015 c 71 art 5 s 34]

Subp. 6. [Repealed, L 2015 c 71 art 5 s 34]

Subp. 6a. **Deductions from gross annual income.** When a family verifies items at the time of application or redetermination, or during the 12-month eligibility period, a CCAP agency must deduct the following items must be deducted from a family's gross annual income:

A. child or spousal support paid to or on behalf of a person or persons who live outside of the household; and

B. funds money used to pay for health and, dental, and vision insurance premiums for family members; that are not reimbursed by medical assistance; and

C. expenditures necessary to secure payment of unearned income.

Subp. 7. **Earned income from self-employment.** In determining a family's gross annual income for purposes of eligibility under this part, the administering a CCAP agency shall ~~must~~ determine earned income from self-employment.

A. Earned income from self-employment is the difference between gross receipts and authorized self-employment expenses which may that must not include expenses under subpart 8.

(1) A family must document gross receipts and self-employment expenses with business records, such as charts of accounts, books, ledgers, and tax schedules.

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(2) At the time of application, or redetermination, or during the 12-month eligibility period, a CCAP agency must allow a family in the start-up phase of self-employment to submit a self-attestation verifying income if financial documentation is unavailable or insufficient to accurately predict self-employment income. A family is subject to recoupment or recovery of an overpayment under part 3400.0187 and Minnesota Statutes, section 119B.11, subdivision 2a, if the commissioner or CCAP agency determines that the family's estimated income does not reflect the family's actual income.

B. Self-employment business records must be kept separate from the family's personal records.

C. If the person's business is a partnership or a corporation and that person is drawing a salary, the salary ~~shall~~ must be treated as earned income ~~under subpart 5.~~

Subp. 8. **Self-employment deductions which are not allowed.** In determining eligibility under this part, self-employment expenses must be subtracted from gross receipts. ~~For purposes of this subpart, the document in items I to K is incorporated by reference. It is available through the Minitex interlibrary loan system. It is subject to frequent change. If the document in items I to K is amended, and if the amendments are incorporated by reference or otherwise made a part of state or federal law applicable to self-employment deductions, then the amendments to the document are also incorporated by reference into this subpart. However, the expenses listed in items A to P shall~~ L must not be subtracted from gross receipts:

[For text of items A to F, see Minnesota Rules]

G. the cost of transportation between the individual's home and ~~his or her~~ the individual's place of employment;

[For text of item H, see Minnesota Rules]

~~I.~~ monthly expenses for each roomer greater than the flat rate deduction listed in the current Combined Program Manual issued by the Department of Human Services;

~~J.~~ monthly expenses for each boarder greater than the flat rate deduction listed in the current Combined Program Manual issued by the Department of Human Services;

~~K.~~ monthly expenses for each roomer-boarder greater than the flat rate deduction listed in the current Combined Program Manual issued by the Department of Human Services;

~~L.~~ annual expenses greater than two percent of the estimated market value on a county tax assessment form as a deduction for upkeep and repair against rental income;

~~M.~~ expenses not allowed by the United States Internal Revenue Code for self-employment income, unless specifically authorized in this chapter;

~~N.~~ federal, state, and local income taxes;

~~O.~~ employer's own share of FICA; and

~~P.~~ money set aside for the self-employed person's own retirement.

Subp. 9. **Self-employment budget period.** A family must budget gross receipts from self-employment must be budgeted in the month in which they are received the family received gross receipts. Expenses must be budgeted against gross receipts in the month that the family paid the expenses are paid except for items A to C.

A. The purchase cost of inventory items, including materials that are processed or manufactured, must be deducted as an expense at the time that a family receives payment is received for the sale of those inventory items, processed materials, or manufactured items, regardless of when those costs are incurred or paid.

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B. Expenses to cover ~~employee FICA, employee tax withholding, sales tax withholding, employee worker's compensation, employee unemployment compensation, business insurance, property rental, property taxes, and other costs that are commonly paid at least annually, but less often than monthly, must be prorated forward as deductions from gross receipts over the period they are intended to cover, beginning with the month in which the payment for these items is made.~~

C. Gross receipts from self-employment ~~may~~ must be prorated forward to equal the period of time ~~over~~ during which the expenses were incurred. However, gross receipts must not be prorated over a period that exceeds 12 months. This provision applies only when gross receipts are not received monthly but expenses are incurred on an ongoing monthly basis.

Subp. 10. **Determination of farm income.** Farm income must be determined for a one-year period. Farm income is gross receipts minus operating expenses, except for expenses listed in subpart 8. Gross receipts include items such as sales, rents, subsidies, farm-related insurance payments, soil conservation payments, production derived from livestock, and income from the sale of home-produced foods.

Subp. 11. **Determination of rental income.**

A. Income from rental property is considered self-employment earnings when the owner spends an average of 20 or more hours per week on maintenance or management of the property. ~~The administering agency shall deduct an amount for upkeep and repairs according to subpart 8, item L, for real estate taxes, insurance, utilities, and interest on principal payments.~~

B. When a family lives on the rental property, ~~the administering a CCAP agency shall~~ must divide the allowable expenses for upkeep, taxes, insurance, utilities, and interest described in this subpart by the number of units to determine the expense per unit. ~~The administering A CCAP agency shall~~ must deduct expenses from rental income only for the number of units rented, not for units occupied by family members.

[For text of item C, see Minnesota Rules]

D. ~~The deductions~~ expenses described in this subpart are subtracted from gross rental receipts: regardless of whether the rental income is considered earned or unearned income. Allowable expenses are:

- (1) real estate tax;
- (2) insurance;
- (3) utilities;
- (4) interest;
- (5) upkeep and repairs;
- (6) tax return preparation fees;
- (7) license fees, franchise fees, professional fees, and professional dues;
- (8) advertising;
- (9) postage;
- (10) attorney fees allowed by the Internal Revenue Code; and
- (11) payments on the principal of the purchase price of income-producing real estate.

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Subp. 12. [Repealed, L 2015 c 71 art 5 s 34]

Subp. 13. [Repealed, L 2015 c 71 art 5 s 34]

3400.0175 EXTENDED ELIGIBILITY.

Subpart 1. **Three-month extended eligibility period.** Extended eligibility is a period of continued eligibility for a family during the 12-month eligibility period as allowed by Minnesota Statutes, section 119B.105. A family may enter extended eligibility under the circumstances described in Minnesota Statutes, section 119B.105, subdivision 1, paragraph (b), and under the following circumstances.

A. An MFIP or DWP participant has a permanent end to all employment plan activities and is not participating in another authorized activity.

B. An MFIP or DWP participant has been sanctioned for not participating in all employment plan activities and is not participating in authorized activities outside of an employment plan.

C. A parentally responsible individual's unable to care status has expired in a two-parent household.

Subp. 2. Permanent and temporary ends of authorized activity.

A. If a parentally responsible individual reports an end to the parentally responsible individual's authorized activity, a CCAP agency must consider the end of the authorized activity permanent unless the family reports that the end is temporary. The extended eligibility period begins on the day that the authorized activity permanently ends and continues for up to three months or until a family's redetermination, whichever occurs first.

B. If a parentally responsible individual has a temporary end to an authorized activity that becomes a permanent end, the family must report the change to a CCAP agency under Minnesota Statutes, section 256P.07, subdivision 6, paragraph (a), clause (2). The extended eligibility period begins on the date that the change becomes permanent.

C. If a parentally responsible individual has more than one authorized activity, extended eligibility is available to the family when the family reports that all authorized activities ended permanently.

Subp. 3. Requirements at end of extended eligibility.

A. At the end of the extended eligibility period, the parentally responsible individual must participate in an authorized activity for eligibility to continue until the next redetermination according to the following criteria:

(1) if employment is the authorized activity of a parentally responsible individual who is eligible under part 3400.0060 or 3400.0090, or of a parentally responsible individual who is eligible under part 3400.0080 without an employment plan, the parentally responsible individual does not have to meet minimum work requirements under Minnesota Statutes, section 119B.10, until redetermination;

(2) if education is the authorized activity of a parentally responsible individual who is eligible under part 3400.0060 or 3400.0090, the education activity must meet the criteria in the CCAP agency's child care fund plan; or

(3) if the parentally responsible individual is eligible under part 3400.0080 and has an employment plan, the individual must be participating in an authorized activity in the individual's employment plan.

B. If the parentally responsible individual is not participating in an authorized activity at the end of the extended eligibility period, a CCAP agency must end the family's eligibility.

C. If a parentally responsible individual in a two-parent household entered extended eligibility because the individual's unable to care status under part 3400.0040, subpart 5, expired and the parentally responsible individual has

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not re-verified the individual's unable to care status or started participating in an authorized activity by the end of the individual's extended eligibility period, a CCAP agency must end the family's eligibility.

Subp. 4. Extended eligibility at application or redetermination. A parentally responsible individual is not eligible for extended eligibility when the parentally responsible individual does not have an authorized activity under Minnesota Statutes, section 119B.10, on the application date or redetermination due date. A parentally responsible individual who meets the eligibility requirements at application under part 3400.0040 or at redetermination under part 3400.0180 and experiences a permanent end to the parentally responsible individual's authorized activity after the application date or redetermination due date is eligible for extended eligibility. A family that is eligible under part 3400.0080 or 3400.0090 is not eligible for extended eligibility during the retroactive periods in Minnesota Statutes, sections 119B.09, subdivision 7, and 119B.13, subdivision 6, paragraph (c).

Subp. 5. New authorizations during extended eligibility period. If a child without an authorization for child care assistance requires child care during an extended eligibility period, a CCAP agency must authorize child care for the child based on the number of child care hours that the CCAP agency authorized for other children in the child's household. If a CCAP agency has not authorized child care of any other children in the household, the CCAP agency must authorize child care for the child based on the number of child care hours for which the family was eligible prior to the beginning of the extended eligibility period.

Subp. 6. New authorized activity during extended eligibility period.

A. If a parentally responsible individual reports that the parentally responsible individual began a new authorized activity prior to the end of the parentally responsible individual's extended eligibility period, the family moves out of extended eligibility and continues to be eligible until the next redetermination according to the following criteria:

(1) if employment is the authorized activity of a parentally responsible individual who is eligible under part 3400.0060 or 3400.0090, or of a parentally responsible individual who is eligible under part 3400.0080 without an employment plan, the parentally responsible individual does not have to meet minimum work requirements under Minnesota Statutes, section 119B.10, until redetermination;

(2) if education is the authorized activity of a parentally responsible individual who is eligible under part 3400.0060 or 3400.0090, the individual's authorized activity must meet the criteria in the CCAP agency's child care fund plan; or

(3) if the parentally responsible individual is eligible under part 3400.0080 and has an employment plan, the individual must be participating in an authorized activity in the individual's employment plan.

B. If a parentally responsible individual began a new authorized activity prior to the end of the extended eligibility period and does not report the new authorized activity, authorizations are approvable retroactively from the date that the extended eligibility period ended, as long as the parentally responsible individual reports the new authorized activity within 90 days after eligibility ended and the parentally responsible individual met all eligibility requirements during the time period after the case closed. A CCAP agency must authorize child care through the end of the 12-month eligibility period as provided by part 3400.0110, subpart 3, and Minnesota Statutes, chapter 119B.

3400.0180 REDETERMINATION OF ELIGIBILITY.

Subpart 1. Redetermination time frame.

A. The county must redetermine each participating family's eligibility at least every six months. The county must redetermine the eligibility of families in the start-up phase of self-employment without an approved employment plan more frequently than once every six months if existing documentation is insufficient to accurately predict self-employment income. If a family reports a change in an eligibility factor before the family's next regularly scheduled redetermination, the county must recalculate eligibility without requiring verification of any eligibility factor that did not change.

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B. The county must not treat a redetermination of eligibility as a new application for child care assistance. The participant is responsible for providing documentary evidence of continued eligibility.

C. If redetermination establishes that a family is ineligible for further child care assistance, the county shall terminate the child care assistance as provided in part 3400.0185. If redetermination establishes the need for a change in the family's copayment, revisions shall be calculated according to part 3400.0100. When a change in income affects the amount of a participant's copayment, the new copayment amount is effective on the first day of the service period following the 15-day notice period.

D. If a family timely reports the information required by part 3400.0040, subpart 4, and redetermination establishes a need for a change in the amount of the family's child care assistance, the amount of child care assistance paid to the family between the date the change was reported and the first date that the new child care assistance payment would be effective if the county properly implemented the change does not constitute an overpayment.

A CCAP agency must redetermine each participating family's eligibility during the time frame in Minnesota Statutes, section 119B.025, subdivision 3. A CCAP agency may establish criteria in the CCAP agency's child care fund plan to extend redetermination due dates longer than the time frame in Minnesota Statutes, section 119B.025, subdivision 3. A CCAP agency may defer a redetermination until the end of the academic school year for a family in which at least one parentally responsible individual meets the criteria in Minnesota Statutes, section 119B.025, subdivision 3, paragraph (c), clause (3). For purposes of this subpart, the end of the academic school year is August 31 of that year.

Subp. 2. Redetermination processing.

A. A CCAP agency must begin processing a participant's redetermination within ten calendar days from the date that the CCAP agency receives a redetermination form.

B. A participant must submit a signed and completed redetermination form and must provide verification of the participant's continued eligibility under subpart 3.

C. A CCAP agency must not treat a redetermination as a new application for child care assistance.

Subp. 3. Verification requirements.

A. At redetermination, a family must verify:

(1) income, if counted under Minnesota Statutes, chapter 256P, of all members of the family, including members temporarily absent from the household;

(2) the work, education, or training activity status of each parentally responsible individual;

(3) the family's residence, if a CCAP agency does not have verification of the family's current address;

(4) changes in family size that the family has not verified since the most recent eligibility determination;

(5) changes in the family's status that the family has not verified since the most recent eligibility determination;

(6) the family's cooperation with child support enforcement under Minnesota Statutes, section 119B.09, subdivision 1, paragraph (c);

(7) the family's assets that exceed \$1,000,000; and

(8) changes in a child's citizenship or immigration status under item D.

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B. At redetermination, a family may provide verification of:

(1) income deductions as allowed by part 3400.0170. A CCAP agency must process a redetermination without income deductions if the family has not verified income deductions within the time frame identified in Minnesota Statutes, section 119B.025, subdivision 3; and

(2) the school status of students 6 years of age and older with earned income. If a family has not verified a student's school status within the time frame identified in Minnesota Statutes, section 119B.025, subdivision 3, the student's earned income must be counted under Minnesota Statutes, section 256P.06.

C. For a CCAP agency to authorize child care at redetermination, an eligible family must:

(1) provide verification of the work, education, or training schedule of each parentally responsible individual;

(2) provide the school schedule of each child who needs child care and attends school if the schedule or school attended has changed since the most recent eligibility determination; and

(3) provide verification of changes in a child's citizenship and immigration status under item D.

D. A family must have at least one child who meets the citizenship or immigration status requirement in the Federal Child Care and Development Fund, Code of Federal Regulations, title 45, section 98.20(c), or who is receiving child care in a setting subject to public education standards. For a CCAP agency to authorize child care, a family must verify the child's citizenship or immigration status unless a setting subject to public education standards is providing care for the child.

Subp. 4. Eligibility determination. At redetermination, a family must meet all applicable requirements under this chapter and Minnesota Statutes, chapter 119B, to continue receiving child care assistance. A CCAP agency must approve a family's eligibility when the CCAP agency receives the family's signed and completed redetermination form and verifications within the time frame identified in Minnesota Statutes, section 119B.025, subdivision 3, and the redetermination form and verifications indicate that the family is eligible. If a CCAP agency determines at redetermination that a family is ineligible for further child care assistance, the CCAP agency must terminate the family's child care assistance as provided in part 3400.0185.

Subp. 5. Unreported changes during 12-month eligibility period.

A. A CCAP agency must determine if information that the CCAP agency receives at redetermination indicates that a family met the reporting requirements in part 3400.0040, subpart 4, during the 12-month eligibility period. If a family did not meet the reporting requirements, a CCAP agency must determine if any unreported changes impacted the family's eligibility or child care authorization during the previous 12-month eligibility period.

B. If a family received more benefits than the family was eligible for during the 12-month eligibility period, a CCAP agency or the commissioner must recoup or recover an overpayment under part 3400.0187 and Minnesota Statutes, section 119B.11, subdivision 2a.

Subp. 6. Reported changes during 12-month eligibility period.

A. If a family reported an income change during the 12-month eligibility period that did not require verification under part 3400.0040, subpart 4a, and the income ends prior to redetermination, a CCAP agency must not require a family to provide verification of that income at redetermination.

B. When a family timely reports information required by part 3400.0040, subpart 4; a CCAP agency timely acts on the information under part 3400.0140, subpart 21; and redetermination results in a decrease in the amount of the family's child care assistance, the amount of child care assistance that the CCAP agency paid on behalf of the family between the date of the change and the date that the new child care assistance payment would be effective is not an

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overpayment.

Subp. 7. Changes in authorized hours. If redetermination results in an increase in the number of hours that a CCAP agency authorizes for a child, the increase in hours is effective on the first day of the service period after the CCAP agency approves the redetermination. An increase in child care hours is effective for service periods prior to the date that the CCAP agency approves the redetermination when the family requests and verifies a need for additional child care hours. If redetermination results in a decrease in the number of child care hours that a CCAP agency authorizes for a child, the decrease in hours is effective on the first day of the service period following the 15-day adverse action notice period.

Subp. 8. Copayment changes. At redetermination, the copayment must be calculated according to Minnesota Statutes, section 119B.12. When a change in income increases the amount of a participant's copayment, the new copayment is effective on the first day of the service period following the 15-day adverse action notice period. When a change in income decreases the amount of the copayment, the new copayment is effective on the first day of the service period after a CCAP agency approves the redetermination.

Subp. 9. Temporary breaks in authorized activity at redetermination. At redetermination, each family must meet the minimum authorized activity requirements in Minnesota Statutes, section 119B.10. If a parentally responsible individual meets all eligibility requirements and reports a temporary break from the parentally responsible individual's authorized activity and verifies that the parentally responsible individual expects to return to the authorized activity, the CCAP agency must suspend the parentally responsible individual's case following the 15-day adverse action notice period. If a parentally responsible individual meets all eligibility requirements and reports a temporary break from the parentally responsible individual's authorized activity and does not verify that the parentally responsible individual expects to return to the authorized activity, a CCAP agency must place the parentally responsible individual's case in temporary ineligible status following the 15-day adverse action notice period.

3400.0183 TERMINATION OF CHILD CARE ASSISTANCE.

Subpart 1. Conditions for termination of child care assistance.

A. A county or Tribe may terminate child care assistance for families already of a family receiving child care assistance when the county or Tribe receives: (1) a revised allocation from the child care fund that is smaller than the allocation stated in the notice sent to the county or Tribe under part 3400.0030 3400.0060, subpart 2; and (2) such short notice of a change in its the county's or Tribe's allocation that the county could not have absorbed or Tribe is unable to absorb the difference in the allocation. The county or Tribe must consult with and obtain approval from the commissioner before terminating child care assistance for a family under this subpart.

B. If the conditions described in this subpart item A occur and a county or Tribe terminates child care assistance for a family, the county may or Tribe must give the family notice as required by part 3400.0185, subpart 12, and terminate assistance to families each family in the order of last on, first off. the most recent approval date of eligibility at application, including first-time participants and participants who previously received child care assistance and experienced a break in service and reapplied. When funds become available, counties a county or Tribe must reinstate first determine the eligibility of families that remain eligible for child care assistance and whose child care assistance was terminated due to insufficient funds before the county accepts or Tribe approves the eligibility of new applications applicants. Those families whose child care assistance was most recently terminated due to insufficient funds shall be reinstated first.

Subp. 2. Conditions under which termination of child care assistance is required.

A. A county CCAP agency must terminate a family's eligibility for child care assistance under the following conditions:

A. (1) when the family asks the county CCAP agency to do so terminate the family's eligibility for child care assistance;

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B. (2) when the family is no longer eligible to receive child care assistance under this chapter and Minnesota Statutes, chapter 119B; or

C. (3) when a member of the family has been disqualified from the child care assistance program under Minnesota Statutes, section 256.98, subdivision 8, paragraph (b).

B. During the 12-month eligibility period, a CCAP agency must terminate a family's eligibility for child care assistance under any of the following conditions:

(1) the family's income exceeds 85 percent of the state median income;

(2) the family's assets exceed \$1,000,000;

(3) the extended eligibility period ends and the parentally responsible individual has no authorized activity;

(4) the parentally responsible individual uses all available job search hours outside of an employment plan under Minnesota Statutes, section 119B.10, subdivision 1, and the parentally responsible individual has no authorized activity;

(5) the family does not pay a copayment;

(6) the family moves out of the state;

(7) there are no eligible children in the family's household;

(8) the only parentally responsible individual in the household has been temporarily absent for more than 60 days and the parentally responsible individual has no authorized activity or the extended eligibility period ends;

(9) the family's temporary ineligibility period expires; or

(10) the family's one year suspension period expires.

C. At redetermination, a CCAP agency must terminate a family's eligibility for child care assistance under any of the following conditions:

(1) the family's income exceeds 67 percent of the state median income;

(2) the family's assets exceed \$1,000,000;

(3) the family is not in an authorized activity that meets any applicable minimum participation requirements;

(4) the family is not cooperating with child support;

(5) the CCAP agency has not received the family's redetermination form and all required eligibility verifications by the last day of the redetermination period;

(6) the family's temporary ineligibility period has expired;

(7) the family's one year suspension period has expired; or

(8) the family's only child who is eligible for child care assistance is 13 years of age or older or 15 years of age or older when the child has a documented disability.

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Subp. 3. [Repealed, 33 SR 695]

Subp. 4. [Repealed, 33 SR 695]

Subp. 5. **Effective date of disqualification period for families.** The effective date of a disqualification period for a family is the later of:

A. the date that the family member was found guilty of wrongfully obtaining or attempting to obtain child care assistance by a federal court; or a state court, or an administrative disqualification hearing determination or waiver; through a disqualification consent agreement; as part of an approved diversion plan under Minnesota Statutes, section 401.065; or as part of a court-ordered stay with probationary or other conditions; or

[For text of item B, see Minnesota Rules]

Subp. 6. **Effective date of disqualification period for child care provider.** The effective date of a disqualification period for a child care provider is the later of:

A. the date that the child care provider was found guilty of an intentional program violation or wrongfully obtaining child care assistance by a federal court, a state court, or an administrative disqualification hearing determination or waiver; through a disqualification consent agreement; as part of an approved diversion plan under Minnesota Statutes, section 401.065; or as part of a court-ordered stay with probationary or other conditions; or

B. the effective date of the child care assistance program termination notice.

3400.0185 ~~TERMINATION AND ADVERSE ACTIONS; NOTICE REQUIRED~~ REQUIREMENTS.

Subpart 1. [See repealer.]

Subp. 2. [See repealer.]

Subp. 3. [See repealer.]

Subp. 4. [See repealer.]

Subp. 5. [See repealer.]

Subp. 6. **Notice of eligibility approval to family.** A CCAP agency must notify a family in writing of the CCAP agency's approval of the family's eligibility.

A. The approval notice must include:

(1) the date that the family's eligibility began;

(2) the family's gross annual income as determined under part 3400.0170;

(3) the family's copayment amount, including how and when the family must pay the copayment;

(4) the family's responsibility for paying child care provider charges that exceed the maximum amount of child care payments in addition to the copayment;

(5) the reporting requirements under part 3400.0040, subpart 4; and

(6) the provisions for recoupment or recovery of an overpayment if the family does not meet the reporting requirements in subitem (5).

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B. The approval notice must state that once a family selects a child care provider who is eligible to receive payment from the child care fund, the child care provider and the family will receive notice from the CCAP agency stating the number of hours of child care that the CCAP agency authorizes and the maximum rate payable under the child care fund.

C. The approval notice must state that, except in cases in which the license of a child care provider licensed by Minnesota has been temporarily immediately suspended under Minnesota Statutes, section 245A.07, or in which there is an imminent risk of harm to the health, safety, or rights of a child in the care of a legal nonlicensed child care provider, certified license-exempt child care center, or child care provider licensed by an entity other than the state of Minnesota, the family must report any change in child care provider to the CCAP agency and the child care provider at least 15 calendar days before the change occurs and include the overpayment implications for not reporting the change.

D. The approval notices must state that when a CCAP agency terminates a participant's child care assistance eligibility, the CCAP agency must inform the participant of the reason for the termination and the participant's appeal rights.

Subp. 7. **Notice of eligibility denial to family.** A CCAP agency must notify a family in writing of a denial of a family's eligibility. The denial notice must include:

- A. the reason for the denial;
- B. the provision in statute, rule, or the CCAP agency's child care fund plan that forms the basis of the denial; and
- C. the parentally responsible individual's right to a fair hearing under part 3400.0230 and Minnesota Statutes, section 119B.16.

Subp. 8. **Notice of authorization to family.** A CCAP agency must notify a family in writing when the CCAP agency authorizes a family's child care with a child care provider that meets the criteria in part 3400.0120, subpart 1. The authorization notice must include:

- A. the family's name;
- B. a statement that the CCAP agency approves of the family's request for child care assistance;
- C. the number of hours of child care that the CCAP agency authorizes per service period;
- D. the maximum rate payable under the child care fund;
- E. the number of absent days that the CCAP agency has paid for the child during the calendar year as of the date of the notice; and
- F. the amount of the family's copayment.

Subp. 9. **Notice of authorization to child care provider.** A CCAP agency must notify a child care provider in writing when the CCAP agency approves of a family's eligibility and authorizes child care with a child care provider that meets the criteria in part 3400.0120, subpart 1. The authorization notice must include:

- A. the family's name;
- B. a statement that the CCAP agency approves of the family's request for child care assistance;
- C. the number of hours of child care that the CCAP agency authorizes per service period;
- D. the maximum rate payable under the child care fund;

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E. the number of absent days that the CCAP agency has paid for the child during the calendar year as of the date of the notice;

F. how the CCAP agency will issue child care assistance payments to the child care provider; and

G. the amount of the family's copayment.

Subp. 10. Notice to family of adverse action.

A. A CCAP agency must give a participant written notice of any action that adversely affects the participant's child care assistance eligibility or authorization.

B. The notice must include:

(1) a description of the adverse action;

(2) the effective date of the adverse action;

(3) the reason for the adverse action;

(4) the provision in statutes, rules, or the CCAP agency's child care fund plan that supports the adverse action;

(5) a statement that the participant has the right to appeal the adverse action and the procedure for an appeal;
and

(6) a statement that if the participant appeals the adverse action before the effective date of the action, the participant may:

(a) continue receiving the same level of benefits while the appeal is pending, subject to recoupment or recovery if the adverse action is upheld; or

(b) receive the level of benefits indicated by the adverse action while the appeal is pending and have an eligible child care provider under part 3400.0120, subpart 1, receive reimbursement for documented eligible child care expenditures pending appeal if the adverse action is reversed when the child care provider bills according to Minnesota Statutes, section 119B.13, subdivision 6, paragraphs (a) to (c).

C. A CCAP agency must mail the notice to the participant's last known address at least 15 calendar days before the effective date of the adverse action.

D. If the participant corrects the conditions underlying the adverse action before the effective date of the adverse action, the adverse action must not take effect.

Subp. 11. Notice to child care provider of action adverse to family. A CCAP agency must give a child care provider written notice of a reduction in the hours of authorized child care or an increase in the family's copayment. A CCAP agency must mail the notice to the child care provider at least 15 calendar days before the effective date of the adverse action and include:

A. the family's name;

B. a description of the adverse action that omits information about the reasons for the adverse action;

C. the effective date of the adverse action; and

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D. a statement that unless the family appeals the adverse action before the effective date, the adverse action will occur on the effective date.

Subp. 12. Notice of termination of child care assistance to family.

A. A CCAP agency must notify a participant in writing of the termination of the participant's child care assistance. The notice must include:

- (1) the date that the termination is effective;
- (2) the reason that the CCAP agency is terminating the participant's child care assistance;
- (3) the provision in statutes, rules, or the CCAP agency's child care fund plan that supports terminating the participant's assistance;
- (4) a statement that the participant has a right to appeal the termination and the procedure for an appeal; and
- (5) a statement that if the participant appeals the proposed action before the effective date of the termination, the participant may:
 - (a) continue receiving the same level of benefits while the appeal is pending, subject to recoupment or recovery if the termination is upheld; or
 - (b) not receive benefits while the appeal is pending and have an eligible child care provider under part 3400.0120, subpart 1, receive reimbursement for documented eligible child care expenditures made or incurred pending appeal if the termination is reversed when the child care provider bills according to Minnesota Statutes, section 119B.13, subdivision 6, paragraphs (a) to (c).

B. A CCAP agency must mail the notice to the participant's last known address at least 15 calendar days before terminating the participant's child care assistance.

C. If the CCAP agency terminates the participant's child care assistance under part 3400.0183, subpart 2, item A, subitem (1), and, before the effective date of termination, the participant requests to continue receiving child care assistance, the termination must not take effect. If a CCAP agency terminates the participant's child care assistance under part 3400.0183, subpart 2, item A, subitem (2), and, before the effective date of termination, the participant reestablishes eligibility for child care assistance, the termination must not take effect.

Subp. 13. Notice of termination of child care assistance to child care provider.

A. A CCAP agency must notify a family's child care provider in writing when a CCAP agency terminates a family's child care assistance. The CCAP agency must mail the termination notice to the child care provider at least 15 calendar days before the effective date of the termination and include:

- (1) the family's name;
- (2) a statement that the CCAP agency has terminated the family's child care assistance;
- (3) the effective date of the termination; and
- (4) a statement that the CCAP agency will no longer issue child care payments for the family's child care that a child care provider provides after the date of termination, unless the family requests to continue receiving child care assistance pending an appeal.

B. A CCAP agency must notify a family's child care provider in writing when the family decides to no longer use

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the child care provider. A CCAP agency must mail a termination notice to a child care provider at least 15 calendar days before the effective date of the termination and must include:

- (1) the family's name;
- (2) a statement that the family has decided to no longer use the child care provider;
- (3) the effective date when the child care assistance authorization will end; and
- (4) a statement that the CCAP agency will no longer issue child care payments for the family's child care that a child care provider provides after the date of the termination.

C. This item applies to child care providers licensed in Minnesota. Except in cases in which the provider's license has been temporarily immediately suspended under Minnesota Statutes, section 245A.07, a CCAP agency must mail a notice of termination to a child care provider at least 15 calendar days before terminating payment to the child care provider. When a child care provider's license has been temporarily immediately suspended under Minnesota Statutes, section 245A.07, a CCAP agency must send a notice of termination to the child care provider that is effective on the date of the temporary immediate suspension.

D. This item applies to legal nonlicensed child care providers, certified license-exempt child care centers, and child care providers licensed by an entity other than the state of Minnesota. Except in cases in which there is an imminent risk of harm to the health, safety, or rights of a child in child care, a CCAP agency must mail a notice of termination to a child care provider at least 15 calendar days before terminating payment to the child care provider. In cases in which there is an imminent risk of harm to the health, safety, or rights of a child in child care, a CCAP agency must send a notice of termination to the child care provider that is effective on the date of the notice.

E. When a child care provider's payment is suspended under Minnesota Statutes, chapter 245E, or a child care provider's registration is denied or revoked under Minnesota Statutes, section 119B.13, subdivision 6, paragraph (d), clause (1) or (2), a CCAP agency or the commissioner must send a notice of termination to the child care provider effective on the date that the CCAP agency or the commissioner creates the notice.

3400.0187 RECOUPMENT AND RECOVERY OF OVERPAYMENTS.

Subpart 1. [See repealer.]

Subp. 1a. [Repealed, 33 SR 695]

Subp. 1b. **Calculation of overpayment.** When determining an overpayment, a CCAP agency or the commissioner must assess the dates during which a family or child care provider received more child care assistance than the family or child care provider was eligible to receive. With the exception of overpayments designated solely as agency error under Minnesota Statutes, section 119B.11, subdivision 2a, paragraph (a), the overpayment must include all amounts that the CCAP agency or commissioner determines were overpaid according to time frames specified in Minnesota Statutes, section 119B.11, subdivision 2a, paragraph (h).

Subp. 2. **Notice of overpayment.** The county A CCAP agency or the commissioner must notify the person or persons, or entity who is assigned responsibility for the overpayment of the overpayment in writing. A notice of overpayment must specify the reason for the overpayment, the time period in during which the overpayment occurred, the amount of the overpayment, and the right to appeal the county's CCAP agency's or commissioner's overpayment determination.

Subp. 3. [See repealer.]

Subp. 4. **Recoupment of overpayments from participants.** If the redetermination of eligibility indicates the family remains eligible for child care assistance, The county A CCAP agency or the commissioner must

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recoup ~~the~~ an overpayment by reducing the amount of assistance paid to or on behalf of the family for every service period at the rates in item A, B, C, or D until the overpayment debt is retired.

A. When a family has an overpayment due to ~~agency or a child care provider error or a combination of child care provider and agency error~~, the recoupment amount is one-fourth of the family's copayment or \$10, whichever is greater.

B. When ~~the~~ a family has an overpayment due to the family's first failure to report changes as required by part 3400.0040, subpart 4, or a combination of a family's first failure to report and agency error, the recoupment amount is one-half of the family's copayment or \$10, whichever is greater.

C. When a family has an overpayment due to the family's failure to provide accurate information at the time of application or redetermination or the family's second or subsequent failure to report changes as required by part 3400.0040, subpart 4, or a combination of these violations with agency error, the recoupment amount is one-half of the family's copayment or \$50, whichever is greater.

D. When a family has an overpayment due to a violation of Minnesota Statutes, section 256.98, ~~subdivision 1~~, as established by a court conviction, a court-ordered stay of a conviction with probationary or other terms, a disqualification agreement, a pretrial diversion, or an administrative disqualification hearing or waiver, the recoupment amount equals the greater of:

[For text of subitems (1) to (3), see Minnesota Rules]

E. This item applies to families who have been disqualified or found to be ineligible for the child care assistance program and who have outstanding overpayments. If a disqualified or previously ineligible family returns to the child care assistance program, ~~the county a CCAP agency or the commissioner~~ must begin recouping the family's outstanding overpayment using the recoupment schedule in items A to D unless another repayment schedule has been specified in a court order.

[For text of item F, see Minnesota Rules]

Subp. 5. [Repealed, 33 SR 695]

Subp. 6. **Recoupment of ~~overpayments~~ overpayment from providers child care provider.** If ~~the~~ a child care provider continues to receive child care assistance payments, ~~the county a CCAP agency or the commissioner~~ must recoup the an overpayment by reducing the amount of assistance paid to the child care provider for every payment at the rates in item A, B, or C until the overpayment debt is retired.

A. When a child care provider has an overpayment due to ~~agency or a family error or a combination of family and agency error~~, the recoupment amount is one-tenth of the provider's payment or \$20, whichever is greater.

B. When a child care provider has an overpayment due to the child care provider's failure to provide accurate information or a combination of a child care provider's failure to report accurate information and agency error, the recoupment amount is one-fourth of the child care provider's payment or \$50, whichever is greater.

C. When a child care provider has an overpayment due to a violation of Minnesota Statutes, section 256.98, ~~subdivision 1~~, as established by a court conviction, a court-ordered stay of conviction with probationary or other terms, a disqualification agreement, a pretrial diversion, or an administrative disqualification hearing or waiver, the recoupment amount equals the greater of:

(1) one-half of the child care provider's payment;

[For text of subitems (2) and (3), see Minnesota Rules]

D. This item applies to child care providers who have been disqualified from or are no longer able to be authorized by the child care assistance program and who have outstanding overpayments. If a child care provider returns to the child care assistance program as a child care provider or a participant, ~~the county a CCAP agency or the commissioner~~ must begin recouping the child care provider's outstanding overpayment using the recoupment

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schedule in items A to ~~D~~C unless another repayment schedule has been specified in a court order.

E. If a child care provider has more than one overpayment assessed for different incidents, a CCAP agency or the commissioner must not consolidate the overpayments ~~must not be consolidated~~ into one overpayment. Instead, each overpayment must be recouped according to the schedule specified in this subpart from the payment made to the child care provider for the service period. If the amount to be recouped in a service period exceeds the payment to the child care provider for that service period, the amount recouped must be applied to overpayments in the following order:

[For text of subitems (1) to (3), see Minnesota Rules]

F. If the commissioner or more than one CCAP agency assesses multiple overpayments to a child care provider for the same incident, the commissioner or each CCAP agency must assess each overpayment separately. A CCAP agency or the commissioner must recoup only one overpayment per incident at a time according to the schedule in this subpart until the overpayment debt is retired. A CCAP agency or the commissioner must recoup any overpayment that the commissioner or CCAP agency assesses for a different incident simultaneously under item E.

3400.0230 RIGHT TO FAIR HEARING.

Subpart 1. [Repealed, 33 SR 695]

Subp. 2. [Repealed, 33 SR 695]

Subp. 3. **Child care payments ~~when pending fair hearing is requested.~~**

A. If the applicant or participant requests a fair hearing before the effective date of termination or adverse action or within ten days after the date of mailing the notice, whichever is later, ~~the termination or adverse action shall not be taken~~ commissioner or CCAP agency must not terminate the applicant's or participant's child care assistance or take the adverse action until the conclusion of the fair hearing. Child care assistance paid pending a fair hearing is subject to recovery under part 3400.0187 to the extent that the commissioner finds on appeal that the participant was not eligible for the amount of child care assistance paid.

B. If the commissioner finds on appeal that child care assistance should have been terminated or the amount of benefits reduced, ~~the county a CCAP agency~~ must send a notice of termination or reduction in benefits effective the date of the notice to the family and the child care provider as required by part 3400.0185 and determine if an overpayment needs to be recouped or recovered according to Minnesota Statutes, section 119B.11, subdivision 2a.

C. A participant may appeal the termination of child care assistance and choose not to receive child care assistance pending the appeal. If the commissioner finds on appeal that child care assistance should not have been terminated, ~~the county a CCAP agency~~ must reimburse/reinstate the participant/participant's eligibility retroactively from the date of the termination and issue payments to an eligible child care provider under part 3400.0120, subpart 1, when the child care provider bills according to Minnesota Statutes, section 119B.13, subdivision 6, paragraphs (a) to (c), for documented eligible child care expenditures made or incurred pending the appeal.

Subp. 4. **Child care payments pending fair hearing or administrative disqualification hearing.**

A. If a child care provider requests a fair hearing before the effective date of a termination or an adverse action, the termination or adverse action must not take effect until the conclusion of the hearing, unless:

(1) the child care provider appeals the assignment of responsibility, amount, or recovery of an overpayment, in which case the recoupment or recovery of the overpayment will occur while the appeal is pending;

(2) the fair hearing is stayed under Minnesota Statutes, section 119B.16, subdivision 3; or

(3) the adverse action entitles the child care provider to an administrative review under Minnesota Statutes, section 119B.161.

B. Child care assistance that a CCAP agency pays to a child care provider pending a hearing is subject to recovery under part 3400.0187 when the commissioner finds on appeal that the child care provider was not eligible for the paid amount of child care assistance.

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C. A child care provider may request a fair hearing under Minnesota Statutes, section 119B.16, subdivision 1a, and choose not to receive child care assistance pending appeal. If, on appeal, the commissioner finds that child care assistance should not have been terminated or an adverse action should not have been taken:

(1) the child care provider must complete the registration process in Minnesota Statutes, section 119B.011, subdivision 19a; and

(2) a CCAP agency or the commissioner must reimburse the child care provider for documented eligible child care expenditures made or incurred pending the appeal for dates of service when the child care provider was eligible under part 3400.0120, subpart 1, and the child care provider bills according to Minnesota Statutes, section 119B.13, subdivision 6, paragraphs (a) to (c).

Subp. 5. Child care payments pending administrative review.

A. If a child care provider requests an administrative review under Minnesota Statutes, section 119B.161, a CCAP agency or the commissioner must stop payments during the administrative review.

B. If a child care provider's payments are suspended under Minnesota Statutes, chapter 245E, or the child care provider's registration is denied or revoked under Minnesota Statutes, section 119B.13, subdivision 6, paragraph (d), clause (1) or (2), and:

(1) the commissioner or a law enforcement authority subsequently determines there is insufficient evidence warranting the action and a CCAP agency or the commissioner does not pursue an administrative remedy under Minnesota Statutes, chapter 119B or 245E, or Minnesota Statutes, section 256.98; or

(2) all criminal, civil, and administrative proceedings related to the child care provider's alleged misconduct conclude in the child care provider's favor and all appeal rights are exhausted; or

(3) the commissioner finds good cause exists under Minnesota Statutes, section 119B.161, subdivision 4, not to deny, revoke, or suspend a child care provider's registration, or not to continue a denial, revocation, or suspension of a child care provider's registration, and the child care provider chooses to resume receiving child care assistance payments, then:

(a) the child care provider must complete the registration process in Minnesota Statutes, section 119B.011, subdivision 19a; and

(b) a CCAP agency or the commissioner must reimburse the child care provider for documented eligible child care expenditures made or incurred pending the administrative review for dates of service when the child care provider was eligible under part 3400.0120, subpart 1, and the child care provider bills according to Minnesota Statutes, section 119B.13, subdivision 6, paragraphs (a) to (c).

REPEALER. (a) Minnesota Rules, parts 3400.0020, subparts 4, 24, and 38; 3400.0030; 3400.0035, subparts 4, 5, and 6; 3400.0040, subpart 7; 3400.0060, subparts 6, 6a, 7, and 8; 3400.0100, subparts 2b and 2c; 3400.0110, subpart 2a; 3400.0140, subparts 4 and 5; 3400.0185, subparts 1, 2, 3, and 4; 3400.0187, subparts 1 and 3; 3400.0200; 3400.0220; and 3400.0235, subparts 1, 2, 3, 4, 5, and 6, are repealed. (b) Minnesota Rules, part 3400.0185, subpart 5, is repealed effective February 26, 2021.

Official Notices

Pursuant to *Minnesota Statutes* §§ 14.101, an agency must first solicit comments from the public on the subject matter of a possible rulemaking proposal under active consideration within the agency by publishing a notice in the *State Register* at least 60 days before publication of a notice to adopt or a notice of hearing, and within 60 days of the effective date of any new statutory grant of required rulemaking.

The *State Register* also publishes other official notices of state agencies and non-state agencies, including notices of meetings and matters of public interest.

Department of Employment and Economic Development, Minnesota Housing and Department of Human Services Notice of Public Hearings and Draft Plan for State of Minnesota 2022-2026 Housing and Community Development Consolidated Plan (Consolidated Plan) and 2022 Annual Action Plan

The State of Minnesota is collecting community feedback to assist with the development of its five-year Consolidated Plan and Annual Action Plan, which are required planning documents for the use of its housing and community development funds from the U.S. Department of Housing and Urban Development (HUD). Funds under consideration for this plan include:

- Community Development Block Grant
- Emergency Solutions Grant
- HOME Investment Partnerships*
- Housing Opportunities for Persons with AIDS
- National Housing Trust Fund

* does not include HOME funding from the American Rescue Plan. Minnesota Housing will be planning for the HOME Investment Partnerships funding through the American Rescue Plan this summer.

The State is holding four community meetings that are open to the public. Please attend the meeting that interests you most and/or most relates to your work. The community meetings will be facilitated discussions around community needs, existing resources, and ways we can address gaps for our most vulnerable residents and strengthen our communities. Seats are limited and registration is necessary. All meetings are virtual and Zoom information will be sent after registration. To register visit: <https://tinyurl.com/MNConsolidatedPlan2022>

- June 22, 11:00 a.m. : Housing
- June 22, 2:00 p.m.: Facilities and Infrastructure
- June 22, 6:00 p.m.: General Resident Perspectives
- June 23, 11:00 a.m.: Community Services

Draft plans will be available for review on July 1 with a 30 day comment period closing July 31, 2022. The plans will be available at <http://www.mnhousing.gov> and <http://mn.gov/deed/government/financial-assistance/community-funding/>.

If you have any questions about the survey or registration for community meetings, then please contact Jennifer Alpha, our consultant with TDA Consulting, Inc., at jalpha@tdainc.org.

Official Notices

Department of Health

Public Hearing Regarding the Minnesota Department of Health Application to the Federal Department of Health and Human Services for Federal Fiscal Year 2022 Preventive Health and Health Services Block Grant Funding

The Minnesota Department of Health will sponsor a public hearing to obtain comments on the proposed uses of the Preventive Health and Health Services Block Grant funds during federal fiscal year 2022. Further information on the use of those funds is available upon request.

The public hearing will be conducted as part of a meeting of the State Preventive Health Advisory Committee to be held via phone and virtually Thursday, June 30, 2022, by the Minnesota Department of Health. The meeting and public hearing will begin at 1:00 p.m. and end by 2:30 p.m. Any person or group may submit either written or oral comments at the meeting.

Written comments must be submitted by noon Wednesday, June 29, to the email address below.

For further information about participating in the public hearing or the PHHS Block Grant, please contact:

Becky Neudecker
 Center for Public Health Practice
 Minnesota Department of Health
 P.O. Box 64975
 St. Paul, Minnesota 55164-0975
 (651) 201-5795
becky.neudecker@state.mn.us

Minnesota Housing

Notice of Public Hearing Via Telephone on the 2024 - 2025 Housing Tax Credit Qualified Allocation Plan

Minnesota Housing will hold a public hearing pursuant to Section 42 of the Internal Revenue Code of 1986, the 2024 and 2025 Housing Tax Credit Qualified Allocation Plan. The public hearing will be held at the time and number listed below:

Tuesday, June 28, 2022
10:00 A.M. – 11:00 A.M. – via Go To Webinar
You may register in advance for this meeting:
<https://attendee.gotowebinar.com/register/8005756790896226574>
Webinar ID: 664-606-323

Dial-In toll-free number: 1-877-309-2074

The Omnibus Budget Reconciliation Act of 1989 (OBRA) requires that Housing Tax Credit Allocating Agencies develop a plan for allocating tax credits within their jurisdiction, setting forth criteria to determine priorities for selection of developments to receive tax credits. The OBRA also requires Tax Credit Agencies to hold a public hearing to receive public comment on the Allocation Plan.

The above public hearing is for the 2024 and 2025 Qualified Allocation Plan developed by Minnesota Housing, in cooperation with local government representatives, for use within the Tax Credit Allocation jurisdiction of Minnesota Housing. Other Tax Credit Suballocating Agencies in Minnesota will be holding public hearings for their areas of jurisdiction. Currently, the following cities and counties are eligible to be Suballocating Agencies in Minnesota: Duluth, St. Cloud, Rochester, Minneapolis, St. Paul, Washington County and Dakota County. A suballocator may elect to enter

into a Joint Powers Agreement with Minnesota Housing. Under a Joint Powers Agreement, Minnesota Housing will perform certain functions related to the HTC allocation or award and compliance monitoring. Currently, the following cities have entered in a Joint Powers agreement: Duluth, St. Cloud, and Rochester.

Written comments may also be submitted to the undersigned and will be considered at the hearing. If a member of the public needs an accessibility accommodation, please contact the agency by June 21, 2022 at HTC.MHFA@state.mn.us or 651-297-5142. Note that this public hearing is not a workshop or training session but is intended to solicit the comments of the public.

Copies of the proposed changes to the Housing Tax Credit Qualified Allocation Plan are available on Minnesota Housing's website and at the address listed below, by written or phone request.

Minnesota Housing
Housing Tax Credit Program
400 Wabasha Street N, Ste. 400
St. Paul, MN 55102
651.297-5142
mnhousing.gov

Department of Human Services
Health Care Administration
Public Notice Regarding Changes to Payment Rates and Methodologies, and Services
under the Medical Assistance Program

This notice is published pursuant to *Code of Federal Regulations*, title 42, part 447, section 205 (42 CFR § 447.205), which requires publication of a notice when there is any significant proposed change in the methods and standards for setting payment rates for Medicaid services.

The MN Department of Human Services will submit the attached state plan amendment 22-24 USS Updates. Effective for services on or after September 15, 2022, the amendment implements the Uniform Service Standards including:

- Simplification to the Diagnostic Assessment Process
- Clean up and clarification to staff definitions, supervision requirements, and training.
 - o Clarifies that Licensing Board requirements for clinical supervision do not apply as Medicaid requirements to deliver services
 - o Clinical Trainees (graduate intern, or post graduate; able to do therapy and assessment) separately described from Mental Health Practitioners (Bachelor's degree in related field, or two years' work experience)
 - o Sets minimum age of 18 for all staff types, parallel with existing law for SUD services. Allows a hospital to refer client to one week of day treatment services before diagnostic assessment required

For more information, please contact Alley Zoellner at (651) 226-7242 or e-mail: Alexandra.Zoellner@state.mn.us.

Minnesota Department of Transportation (MnDOT)
Office of Transportation System Management (OTSM)
Notice of Solicitation for Public Review and Comment on the Draft State Transportation
Improvement Program (STIP) for State Fiscal Years 2023-2024-2025-2026 (July 1, 2022
through June 30, 2026)

The Minnesota Department of Transportation (MnDOT) is offering an opportunity for public review and comment on a draft list of projects to be included in the State Transportation Improvement Program (STIP) for state fiscal years

Official Notices

2023-2024-2025-2026 (July 1, 2022 through June 30, 2026).

The program for the 2023-2026 STIP is approximately \$3.1 billion federal funds, \$1.6 billion of state trunk highway funds, plus trunk highway bonds, local agency funds, and other funding sources. The program includes local road and bridge projects; transit capital investments; state highway road and bridge projects; national highway road, bridge, and freight projects.

The draft list of projects in the STIP is available for review at the Department of Transportation District Offices and on MnDOT's website: <http://www.dot.state.mn.us/planning/program/stip.html>.

If you have questions about projects in the Draft 2023-2026 STIP, please feel free to contact the following individuals.

District 1 (Duluth) - Duane Hill, District Engineer, Duane.Hill@state.mn.us
 District 2 (Bemidji) - JT Anderson, District Engineer, J.T.Anderson@state.mn.us
 District 3 (Baxter) - Mike Ginnaty, District Engineer, Mike.Ginnaty@state.mn.us
 District 4 (Detroit Lakes) - Shiloh Wahl, District Engineer, Shiloh.Wahl@state.mn.us
 District 6 (Rochester) - Mark Schoenfelder, District Engineer, Mark.Schoenfelder@state.mn.us
 District 7 (Mankato) - Greg Ous, District Engineer, Greg.Ous@state.mn.us
 District 8 (Willmar) - Jon Huseby, District Engineer, Jon.Huseby@state.mn.us
 District M (Metro) - Michael Barnes, District Engineer, Michael.Barnes@state.mn.us
 District C (Central Office) – Trang Chu, Trang.Chu@state.mn.us or Deborah Pena, Debbie.Pena@state.mn.us

If you would like to provide written comments on the Draft 2023-2026 STIP, please email: Trang.Chu@state.mn.us or Debbie.Pena@state.mn.us.

If you would like to provide comments via telephone, please contact:

Brian Gage
 Phone: 651-366-3748
 Office of Transportation System Management
 Minnesota Department of Transportation
 395 John Ireland Blvd, St Paul, MN 55155

You have 30 calendar days to submit comments. Comments must be received by **4:30 p.m. on July 5, 2022**. Comments are encouraged and should identify the portion of the STIP addressed, reason for the comment, and any change proposed.

State Grants & Loans

In addition to requests by state agencies for technical/professional services (published in the State Contracts Section), the *State Register* also publishes notices about grants and loans available through any agency or branch of state government. Although some grant and loan programs specifically require printing in a statewide publication such as the State Register, there is no requirement for publication in the *State Register* itself. Agencies are encouraged to publish grant and loan notices, and to provide financial estimates as well as sufficient time for interested parties to respond.

SEE ALSO: Office of Grants Management (OGM) at: <http://www.grants.state.mn.us/public/>

Department of Employment and Economic Development (DEED) Notice of Grant Opportunity

NOTICE IS HEREBY GIVEN that the Minnesota Department of Employment and Economic Development (DEED) places notice of any available grant opportunities online at <https://mn.gov/deed/about/contracts/open-rfp.jsp>

Department of Human Services Behavioral Health Division

Notice of Request for Proposals for One or More Providers to Develop and Provide Psychiatric Residential Treatment Services for Individuals under age 21 through the Psychiatric Residential Treatment Facility Medicaid Benefit

The Minnesota Department of Human Services (DHS or State) is requesting proposals for the development of intensive treatment programs known as Psychiatric Residential Treatment Facilities (PRTF) to serve youth with complex mental health conditions whose needs cannot be met by a lower level of care. PRTF's are designed to provide treatment and support to children and youth who would traditionally experience multiple placement disruptions, out of state placements, or repeated placements due to their significant mental health, developmental, and co-occurring substance use issues.

DHS is seeking proposals for the grant period September 1 2022 through August 31, 2028.

For more information contact:

Nancy Just
Department of Human Services
Behavioral Health Division
Phone: (651) 247-6065
Nancy.just@state.mn.us

This is the only person designated to answer questions by potential responders regarding this request.

To obtain this information in a different format, please email Emily.Waymire@state.mn.us.

Proposals submitted in response to this Request for Proposals (RFP) must be received at the email address listed in the RFP no later than **4:00 p.m., Central Time, on July 15, 2022**. **Late proposals will not be considered**. Proposals received via other methods will not be considered.

The RFP can be viewed by visiting the Minnesota Department of Human Services Grants, Requests for Proposals (RFP) and Requests for Information (RFI) web site: <https://mn.gov/dhs/partners-and-providers/grants-rfps/open-rfps/>.

This request does not obligate the State to complete the work contemplated in this notice. The State reserves the right to cancel this solicitation. All expenses incurred in responding to this notice are solely the responsibility of the responder.

State Grants & Loans

Department of Human Services

Disability Services Division

Notice of Request for Proposals to Minnesota Counties and Tribal Nations to Expand Access to Inclusive Childcare for Children with Disabilities

The Minnesota Department of Human Services (DHS or State) is requesting proposals from counties and tribes that will partner with licensed childcare providers to develop and implement a pilot project.

The pilot will address at least one of the four following outcomes areas: 1) increases access to inclusive childcare, 2) increases staff support to children with extra needs, 3) improves staff ability to care for a child with a disability, 4) improves child care facilities.

DHS is seeking proposals for the pilot grant period August 2022 through November 2023.

For more information contact:

Carrie Jakober
 Department of Human Services
 Disability Services Division
Carrie.Jakober@state.mn.us

This is the only person designated to answer questions by potential responders regarding this request.

To obtain this information in a different format, please email *Emily.Waymire@state.mn.us*.

Proposals submitted in response to this Request for Proposals (RFP) must be received through DSD's online grant management system listed in the RFP no later than **4:00 p.m., Central Time, on July 11, 2022. Late proposals will not be considered.** Proposals received via other methods will not be considered.

The RFP can be viewed by visiting the Minnesota Department of Human Services Grants, Requests for Proposals (RFP) and Requests for Information (RFI) web site: <https://mn.gov/dhs/partners-and-providers/grants-rfps/open-rfps/>.

This request does not obligate the State to complete the work contemplated in this notice. The State reserves the right to cancel this solicitation. All expenses incurred in responding to this notice are solely the responsibility of the responder.

Department of Public Safety

Office of Justice Programs

Request for Proposals: Title II Juvenile Justice Grants to Promote Wellness and Support for Youth Within Minnesota's Juvenile Justice System

Authorized by the Minnesota Juvenile Justice Advisory Committee (JJAC), the goal of Title II funding is to provide direct services to youth and their families to prevent or divert involvement of youth in the juvenile justice system and to eliminate or to minimize racial and ethnic disparities. Grant funding will be used to support the following areas: (1) positive youth development, (2) preventing/reducing re-entry, (3) and community, faith, and/or culturally focused programming.

We anticipate having a minimum of \$1.6 million available for grants of up to \$150,000 per grantee for a two-year period (up to \$75,000 per year), with a start date of approximately September 1, 2022, ending August 31, 2024. These will be cost reimbursement grants; federal requirements prohibit advancing grant funds up front. Private and public nonprofit agencies, local units of government including cities, counties, townships, local educational agencies, and tribal governments are eligible to apply.

State Grants & Loans

All applications must be submitted by 4:00 p.m., Friday, July 29, 2022, via *e-grants*, the Office of Justice Programs (OJP) online grants management system. Selected applicants will need to get grant documents signed and returned by August 31st, 2022.

To view the RFP go to the OJP website: *OJP website*

For more information contact *callie.hargett@state.mn.us*

Minnesota Department of Transportation (MnDOT) 2022 Greater Minnesota TED Solicitation Announcement

Cities, counties, tribes and other government entities in Greater Minnesota can apply for funds for transportation infrastructure projects on state highways that support economic development through the Minnesota Department of Transportation. Greater Minnesota is defined as all counties outside of the seven county Metropolitan Area.

MnDOT's Transportation and Economic Development program (TED) is a competitive funding program designed to help generate economic benefits through investment in transportation infrastructure. Under this solicitation, \$2.0 million are available for construction projects in calendar years 2023 and 2024. Funding available under the TED program can only be used on trunk highway eligible projects.

To be considered for funding, interested agencies must first submit an expression of interest using the form available at: <https://www.dot.state.mn.us/funding/ted/> MnDOT district staff and economic development staff at the Minnesota Department of Employment and Economic Development will then work with applicants to review the project and collect all necessary information. The deadline for expression of interest is July 1st, 2022. Upon receipt of an expression of interest sent to MnDOT, applicants will work closely with District personnel to develop a full application which will be due on Friday, September 2nd, 2022.

Forms expressing interest in funding can be submitted electronically to Ken Buckeye, MnDOT Office of Finance, by 5 p.m., July 1, 2022. Questions about the solicitation may be directed to *kenneth.buckeye@state.mn.us*.

State Contracts

Informal Solicitations: Informal solicitations for professional/technical (consultant) contracts valued at over \$5,000 through \$50,000, may either be published in the *State Register* or posted on the Department of Administration, Materials Management Division's (MMD) Web site. Interested vendors are encouraged to monitor the P/T Contract Section of the MMD Website at www.mmd.admin.state.mn.us for informal solicitation announcements.

Formal Solicitations: Department of Administration procedures require that formal solicitations (announcements for contracts with an estimated value over \$50,000) for professional/technical contracts must be published in the *State Register*. Certain quasi-state agency and Minnesota State College and University institutions are exempt from these requirements.

Requirements: There are no statutes or rules requiring contracts to be advertised for any specific length of time, but the Materials Management Division strongly recommends meeting the following requirements: \$0 - \$5000 does not need to be advertised. Contact the Materials Management Division: (651) 296-2600 \$5,000 - \$25,000 should be advertised in the *State Register* for a period of at least seven calendar days; \$25,000 - \$50,000 should be advertised in the *State Register* for a period of at least 14 calendar days; and anything above \$50,000 should be advertised in the *State Register* for a minimum of at least 21 calendar days.

Minnesota State Colleges and Universities (Minnesota State) Non-Construction Related Bid and Contracting Opportunities

Minnesota State is now placing additional public notices for P/T contract opportunities, goods/commodities, and non-construction related services on its Vendor and Supplier Opportunities website (<http://minnstate.edu/vendors/index.html>). New public notices may be added to the website on a daily basis and be available for the time period as indicated within the public notice.

If you have any questions regarding this notice, or are having problems viewing the information on the Vendor and Supplier Opportunities website, please call the Minnesota State Procurement Unit at 651-201-1444, Monday-Friday, 9:00 am – 4:00 pm.

Minnesota Department of Transportation (MnDOT) Engineering Services Division Notices Regarding Professional/Technical (P/T) Contracting

P/T Contracting Opportunities: MnDOT is now placing additional public notices for P/T contract opportunities on the MnDOT's Consultant Services website. New public notices may be added to the website on a daily basis and be available for the time period as indicated within the public notice.

Taxpayers' Transportation Accountability Act (TTAA) Notices: MnDOT is posting notices as required by the TTAA on the MnDOT Consultant Services website.

MnDOT's Prequalification Program: MnDOT maintains a Pre-Qualification Program in order to streamline the process of contracting for highway related P/T services. Program information, application requirements, application forms and contact information can be found on MnDOT's Consultant Services website. Applications may be submitted at any time for this Program.

MnDOT Consultant Services website: www.dot.state.mn.us/consult

If you have any questions regarding this notice, or are having problems viewing the information on the Consultant Services website, please call the Consultant Services Help Line at 651-366-4611, Monday – Friday, 9:00am – 4:00pm.





Children and Family Services, Child Care Assistance Program

Proposed Amendment to Rules Governing the Child Care Assistance Program, *Minnesota Rules*, Parts 3400.0010 through 3400.0235; Revisor's ID 4560

OAH Docket number 82-9029-35572

EXHIBIT F: NOT APPLICABLE – CHIEF JUDGE AUTHORIZATION TO OMIT PUBLISHING TEXT OF PROPOSED RULE

An authorization from the Chief Administrative Law Judge to omit from the Dual Notice of Intent to Adopt Rules published in the State Register the text of the proposed rule is not included as an exhibit because text of the proposed rule was published in the State Register with the Dual Notice of Intent to Adopt Rules.



Children and Family Services, Child Care Assistance Program

Proposed Amendment to Rules Governing the Child Care Assistance Program, *Minnesota Rules*, Parts 3400.0010 through 3400.0235; Revisor's ID 4560

OAH Docket number 82-9029-35572

EXHIBIT G-1: CERTIFICATE OF DELIVERY OF THE DUAL NOTICE OF INTENT TO ADOPT RULES TO THE DEPARTMENT'S RULEMAKING LISTS

Minnesota Department of Human Services**CERTIFICATE OF DELIVERY OF THE DUAL NOTICE OF INTENT TO ADOPT RULES TO THE RULEMAKING MAILING LIST****Proposed Rules Governing the Child Care Assistance Program, Minnesota Rules, Parts 3400.0010 – 3400.0235; Revisor's ID 4560**

I certify that on May 27, 2022, at least 33 days before the end of the comment period, at St. Paul, Ramsey County, Minnesota, I delivered the (1) Dual Notice of Intent to Adopt Rules, and (2) the proposed rules by sending an electronic memo via GovDelivery with links to all persons and associations on the rulemaking mailing list established by Minnesota Statutes, section 14.14, subdivision 1a. A copy of the email confirming the GovDelivery message was sent is attached. I also certify that on May 27, 2022, I deposited a copy of (1) the Dual Notice of Intent to Adopt Rules, and (2) an easily readable and understandable description of the nature and effect of the proposed rule and an announcement that a free copy is available upon request from me, in the United States mail with postage prepaid, to those persons and associations on the rulemaking mailing list who have indicated that they prefer communications by U.S. Mail. A copy of the U.S. mailing list is also attached.



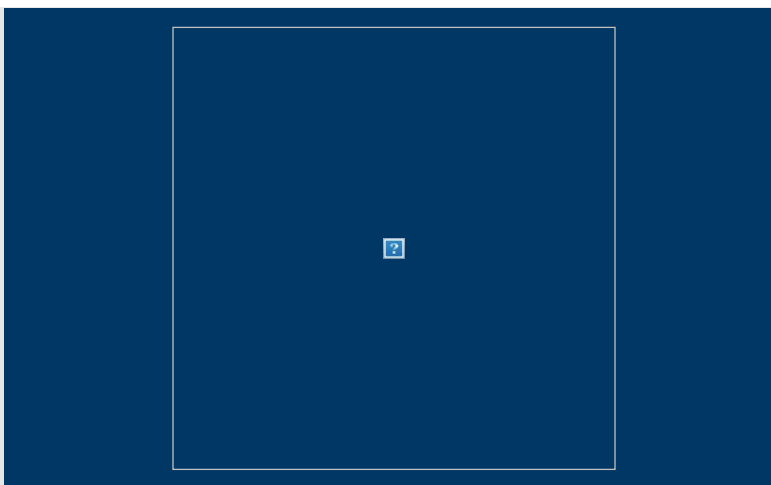
Vanessa Vogl
Rulemaking Attorney
General Counsel's Office

From: [Minnesota Department of Human Services](#)
To: [Echols, Nanette M \(DHS\)](#); [Conway, Melissa B \(DHS\)](#); [Adrian, Steven E \(DHS\)](#); [Ballek, Daniel John \(MNIT\)](#); [Vogl, Vanessa M \(DHS\)](#); [Steen, Andrea M \(DHS\)](#); [Wilder, Lisa A \(DHS\)](#); [Wittman, Jonathan D \(DHS\)](#); [Lee, Meghan M \(DHS\)](#); [Berg, Sarah \(DHS\)](#); [Sullivan Hook, Karen F \(DHS\)](#)
Subject: Courtesy Copy: Notice of Intent to Adopt Rules Governing the Child Care Assistance Program
Date: Monday, June 13, 2022 9:22:12 AM

This is a courtesy copy of an email bulletin sent by Vanessa Vogl.

This bulletin was sent to the following groups of people:

Subscribers of Rulemaking Notices (6028 recipients)



20220613

Notice of Intent to Adopt Rules

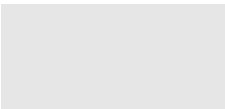
The Minnesota Department of Human Services (Department) intends to adopt amendments to rules governing the Child Care Assistance Program at [Minnesota Rules, parts 3400.0010 – 3400.0235](#), without a public hearing following the procedures in the Administrative Procedure Act and applicable rules. If, however, 25 or more persons submit a written request for a hearing on the rules by 4:30 p.m. on July 20, 2022, the Department will hold a virtual public hearing on the proposed rule changes, conducted by an Administrative Law Judge.

During the 2017 legislative session, many changes were made to the Child Care Assistant Program (CCAP). Most of the changes were required under the Child Care and Development Block Grant Act of 2014. The Department is amending the rules to align with these federal and state statutory changes, adding clarity and consistency. The proposed amendments focus on providing equal access to stable child care for low-income children and strengthening requirements to protect the health and safety of children in child care and receiving CCAP funding. The amendments address determination of income for eligibility, frequency of redetermination, determination of copayments, maintaining consistent child care authorizations for children, reporting responsibilities for participants, provider requirements, and payment policies.

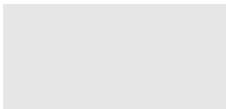
The Department will publish a [Dual Notice of Intent to Adopt Rules \(PDF\)](#) in the June 13, 2022 State Register. If you would like to comment or request a hearing, please follow the procedure described in the Notice. You have until 4:30 p.m. on July 20, 2022, to comment or request a hearing.

Information about this and other rulemaking, including the [proposed rule amendments \(PDF\)](#) and [Statement of Need and Reasonableness \(PDF\)](#) for this rulemaking can be found on the Department's [Rulemaking Docket](#) webpage.

You are receiving this communication because according to our records, you registered to receive notices of rulemaking proceedings commenced by the Department. If you do not wish to continue receiving such notices from the Department, you can change your email subscription preferences by entering your email address [here](#). If you know of others who would be interested in registering to receive notification of agency rulemakings, they can do so by submitting their email



address at the same location.



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Stay connected

[Minnesota Department of Human Services](#)



Registered Rulemaking List (U.S. Mailing preferred)

U.S. Mailing preferred

Company Name	Mailing Address
Citizens Council for Health Freedom	161 Saint Anthony Ave Suite 923 St. Paul, MN 55103-2308
Our House of Minnesota, Inc.	1848 Portland Ave St. Paul, MN 55104
Pine Ridge Homes, Inc.	1509 14 th Street Cloquet, MN 55720
Becker County Dac (Development Achievement Center)	PO Box 852 Detroit Lakes, MN 56502
Range Center, Inc.	1001 NW Eighth Ave PO Box 629 Chisholm, MN 55719
Sam Ruhle – Minnesota Office of Administrative Hearings	PO Box 64620 St. Paul, MN 55164-0620

Last updated: 5/25/2022



Children and Family Services, Child Care Assistance Program

Proposed Amendment to Rules Governing the Child Care Assistance Program, *Minnesota Rules*, Parts 3400.0010 through 3400.0235; Revisor's ID 4560

OAH Docket number 82-9029-35572

EXHIBIT G-2: CERTIFICATE OF ACCURACY OF THE DEPARTMENT'S RULEMAKING LISTS DATED MAY 25, 2022

Minnesota Department of Human Services

CERTIFICATE OF ACCURACY OF THE DEPARTMENT'S RULEMAKING LISTS

Proposed Rules Governing the Child Care Assistance Program, Minnesota Rules, Parts 3400.0010 – 3400.0235; Revisor's ID 4560

I certify that the list of persons and associations who have requested that their names be placed on the Department of Human Services rulemaking email and U.S. mailing lists under Minnesota Statutes, section 14.14, subdivision 1a, is accurate, complete, and current as of May 25, 2022. An email list is maintained via GovDelivery subscription and the number of the people on the list is 6028. A list of people and organizations that prefer to receive notice via U.S. mail is included with the Certificate of Delivery of the Dual Notice of Intent to Adopt Rules to the Department's Rulemaking Lists (Exhibit G-1).



Vanessa Vogl
Rulemaking Attorney
General Counsel's Office



Children and Family Services, Child Care Assistance Program

Proposed Amendment to Rules Governing the Child Care Assistance Program, *Minnesota Rules*, Parts 3400.0010 through 3400.0235; Revisor's ID 4560

OAH Docket number 82-9029-35572

EXHIBIT H: CERTIFICATES OF DELIVERY OF THE DUAL NOTICE OF INTENT TO ADOPT RULES ACCORDING TO THE ADDITIONAL NOTICE PLAN

Minnesota Department of Human Services

CERTIFICATE OF DELIVERY OF THE DUAL NOTICE OF INTENT TO ADOPT RULES

Proposed Rules Governing the Child Care Assistance Program, Minnesota Rules, Parts 3400.0010 – 3400.0235; Revisor’s ID 4560

I certify that on June 13, 2022, at least 33 days before the end of the comment period, at St. Paul, Ramsey County, Minnesota, I delivered the Dual Notice of Intent to Adopt Rules according to the Additional Notice Plan approved by the Office of Administrative Hearings on May 2, 2022. Specifically, I delivered the (1) Dual Notice of Intent to Adopt Rules, and (2) the proposed rules by sending an electronic memo:

- Via the Department of Human Services Child Care Assistance Program provider listserv to licensed child care centers, licensed family child care providers and licensed exempt centers across the state.

A copy of the listserv confirmation is included with this Certificate.

Kisha Dixon

Kisha Dixon
Policy Specialist
Child Care Assistance Program

From: [Dixon, Kisha L \(DHS\)](#)
To: [Lentini, Andrea \(DHS\)](#)
Subject: FW: Courtesy Copy: Child Care Assistance Program (CCAP) Rule Revision.
Date: Monday, June 13, 2022 8:19:16 AM
Attachments: [image002.png](#)
[image003.png](#)
[image004.png](#)
[image005.jpg](#)
[image006.jpg](#)
[image007.jpg](#)

Here is the confirmation that this was sent.

Kisha Dixon Boston, MPA, MBA
[Pronouns:](#) She/Her/Hers
Policy Specialist | Child Care Assistance Program

Minnesota Department of Human Services
P.O. Box 64962
Saint Paul, MN 55164-0962
O: 651-431-4036
F: 651-431-7483
mn.gov/dhs



From: Minnesota Department of Human Services <Minnesota_DHS@public.govdelivery.com>
Sent: Monday, June 13, 2022 8:18 AM
To: Carlson, Angela R (DHS) <angela.r.carlson@state.mn.us>; Berg, Sarah (DHS) <sarah.berg@state.mn.us>; Conway, Melissa B (DHS) <melissa.conway@state.mn.us>; Echols, Nanette M (DHS) <nanette.echols@state.mn.us>; Rosas, Stacia M (DHS) <stacia.rosas@state.mn.us>; Adrian, Steven E (DHS) <steven.adrian@state.mn.us>; Ballek, Daniel John (MNIT) <dan.ballek@state.mn.us>; Steen, Andrea M (DHS) <Andrea.Steen@state.mn.us>; Dixon, Kisha L (DHS) <kisha.dixon@state.mn.us>; Wittman, Jonathan D (DHS) <jonathan.wittman@state.mn.us>; Wilder, Lisa A (DHS) <lisa.a.wilder@state.mn.us>; Lee, Mehgan M (DHS) <mehgan.lee@state.mn.us>
Subject: Courtesy Copy: Child Care Assistance Program (CCAP) Rule Revision.

This is a courtesy copy of an email bulletin sent by Kisha Dixon.

This bulletin was sent to the following groups of people:

Subscribers of Child care providers registered with CCAP who answered "Licensed family" or "Licensed center" or "Legal nonlicensed" or "Certified center" or "Other" to "Child care

provider type" (7649 recipients)



News for Child Care Assistance Program Providers

June 2022

Child Care Assistance Program (CCAP) Rule Revision

The Minnesota Department of Human Services (DHS) Child Care Assistance Program (CCAP) is updating Minnesota Rules, Chapter 3400, Child Care Fund (<https://www.revisor.mn.gov/rules/3400/>). You can comment and give feedback on the proposed rule changes. Some of the changes may affect you as a provider or affect the families you serve.

What is rule and why does it need changes?

Rules are based on laws, and the rule in Chapter 3400 gives details on how some pieces of the Child Care Assistance Program work. The rules are being updated to align with state and federal law and replace or remove old information.

What are examples of child care assistance policies that impact providers?

Some policies that the rule would change are:

- Allows the 10 holidays a provider is able to use per calendar year to include cultural and religious holidays of the provider's choosing and no longer requires the day to only be a state or federal holiday.
- Allows payment to an alternative certified license exempt location operated by the same entity on a short-term basis when a child's primary certified license exempt site is not open.

Where do I find the rule changes?

The [Dual Notice of Intent to Adopt Rules](#) and the [draft rule language](#) is available online at <https://mn.gov/dhs/partners-and-providers/policies-procedures/rulemaking/>. All new language is underlined and deleted language is crossed out. You can also ask for a free copy of the proposed rules be sent to you in the mail by contacting Vanessa Vogl (contact information below).

How can I give feedback?

You can send comments or questions on the rules. You can also request a public hearing. A public hearing on these rule changes is scheduled for Wednesday, August 3, 2022 at 9:30 a.m. The public hearing is only held if 25 or more people send in a written request for a hearing by 4:30 p.m. on Wednesday, July 20, 2022.

Send any comments or questions on the rule or written requests for a public hearing to:

Vanessa Vogl

Minnesota Department of Human Services, Administrative Law Office

PO Box 64254

Saint Paul, MN 55164-0254

Email: Vanessa.Vogl@state.mn.us

Phone: 651-431-3168

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Minnesota Department of Human Services

CERTIFICATE OF DELIVERY OF THE DUAL NOTICE OF INTENT TO ADOPT RULES

Proposed Rules Governing the Child Care Assistance Program, Minnesota Rules, Parts 3400.0010 – 3400.0235; Revisor’s ID 4560

I certify that on June 13, 2022, at least 33 days before the end of the comment period, at St. Paul, Ramsey County, Minnesota, I delivered the Dual Notice of Intent to Adopt Rules according to the Additional Notice Plan approved by the Office of Administrative Hearings on May 2, 2022. Specifically, I delivered the (1) Dual Notice of Intent to Adopt Rules, and (2) the proposed rules by sending an electronic memo:

- Via email to all administrative and client access contacts (lead staff that have contact with families receiving CCAP) across the 80 county, tribal, and subcontracted agencies who administer CCAP;
- Via email to identified stakeholders consisting of state agencies, child care provider professional associations, non-profits, and those who expressed interest in the rule revision process; and
- Via email to CCAP Rule Revision Advisory Committee members.

A copy of the sent emails is included with this Certificate.

I also certify that on June 10, 2022, I deposited a copy of (1) the Dual Notice of Intent to Adopt Rules, and (2) an easily readable and understandable description of the nature and effect of the proposed rule and an announcement that a free copy is available upon request from Vanessa Vogl, Rulemaking Attorney, Department of Human Services, in the United States mail with postage prepaid, to all legal nonlicensed child care providers registered to receive child care assistance.



Andrea Lentini
Policy Analyst
Child Care Assistance Program

From: [Lentini, Andrea \(DHS\)](#)
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Child Care Assistance Program (CCAP) Rule Revision: Dual Notice of Intent to Adopt Rules
Date: Monday, June 13, 2022 9:20:00 AM
Attachments: [image003.png](#)
[image004.png](#)
[image005.png](#)
[image006.jpg](#)
[image007.jpg](#)
[CCAP_Dual_Notice_final_signed.docx](#)
[image008.jpg](#)

To: Child Care Assistance Program (CCAP) Administrative and Client Access contacts

You are receiving this notice to alert you to the next step in the Minnesota Department of Human Services' Child Care Assistance Program (CCAP) rulemaking process.

The next step in the rulemaking process is the posting of the dual notice, which marks the opening of the comment period. The Dual Notice of Intent to Adopt Rules was posted in the State Register on June 13, 2022. This notice starts the official comment period, which will end on July 20, 2022.

The proposed rules are available on the Department's website at <https://mn.gov/dhs/partners-and-providers/policies-procedures/rulemaking/>.

Stakeholders have until 4:30 p.m. on July 20, 2022 to submit written comment in support of or in opposition to the proposed rules. In addition to submitting comments, stakeholders may also request the Department hold a public hearing on the rules. A public hearing will be held on Aug 3, 2022 at 9:30 a.m. if 25 or more people send in a written request for a hearing by 4:30 p.m. on July 20, 2022.

Send any comments or questions on the rule or written requests for a public hearing to:

Vanessa Vogl
Minnesota Department of Human Services, Administrative Law Office
PO Box 64254
Saint Paul, MN 55164-0254
Email: Vanessa.Vogl@state.mn.us
Phone: 651-431-3168

Thank you for your interest in the Child Care Assistance Program.

Andrea Lentini

Policy Analyst | Child Care Assistance Program
Pronouns: [She/Her](#)

Minnesota Department of Human Services

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Subject: Child Care Assistance Program (CCAP) Rule Revision: Dual Notice of Intent to Adopt Rules

Date: Monday, June 13, 2022 9:21:00 AM

Attachments: [image003.png](#)
[image004.png](#)
[image005.png](#)
[image006.jpg](#)
[image007.jpg](#)
[CCAP_Dual Notice_final signed.docx](#)
[image002.jpg](#)

Greetings,

You are receiving this notice because you have expressed interest in the Minnesota Department of Human Services’ Child Care Assistance Program (CCAP) rulemaking.

The next step in the rulemaking process is the posting of the dual notice, which marks the opening of the comment period. The Dual Notice of Intent to Adopt Rules was posted in the State Register on June 13, 2022. This notice starts the official comment period, which will end on July 20, 2022.

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Stakeholders have until 4:30 p.m. on July 20, 2022 to submit written comment in support of or in opposition to the proposed rules. In addition to submitting comments, stakeholders may also request the Department hold a public hearing on the rules. A public hearing will be held on Aug 3, 2022 at 9:30 a.m. if 25 or more people send in a written request for a hearing by 4:30 p.m. on July 20, 2022.

Send any comments or questions on the rule or written requests for a public hearing to:

Vanessa Vogl
Minnesota Department of Human Services, Administrative Law Office
PO Box 64254
Saint Paul, MN 55164-0254
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Phone: 651-431-3168

Thank you for your interest in the Child Care Assistance Program.

Andrea Lentini
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Pronouns: [She/Her](#)

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mn.gov/dhs



From: [Lentini, Andrea \(DHS\)](#)
Bcc: contact@kiddiegarten.com; kathachurch@gmail.com; littlelearnersadamn@outlook.com; mdillon@mahube.org; kidsritinc@iw.net; director@lutherslittleexplorers.com; mefredin@rochester.k12.mn.us; haf@playhousechildcare.com; dbrooklynparkmn@goddardschools.com; pives@kiddykarousel.org; smjohnson466@stkate.edu; johnsonkristy@district279.org; kkluge@kc-education.com; melissa_laatsch@rdale.org; relarson@kc-education.com; nicki@recoveringhope.life; kayla@recoveringhope.life; director@ekidsinc.com; amy.olson@spps.org; bpeterston@peopleservingpeople.org; sprice@ckakids.com; colleen.polson@fraser.org; sandy.prusinski@stepbystepmontessori.com; naoko.sands@wilder.org; csanford@nhacademy.net; sschir1@isd77.org; angie.schoenrock@childrensdaymontessori.org; yoshascott@aol.com; jasmithdaycare@hotmail.com; maria.rose.mikel@gmail.com; jwilde@kc-education.com; alliz@especiallyforchildren.com; jeng@childcareawaremn.org; lalisa.revels@houseofconversion.org; mlososo@childrensdefense.org; aimee@feedingourfuturemn.org; sarab@mnaeyc-mnsaca.org; mchandler@picaheadstart.org; johnson@co.hubbard.mn.us; ddalton@co.hubbard.mn.us; elana.gravitz@hennepin.us; [Shannon Quigley](mailto:Shannon.Quigley); kim.gullickson@co.grant.mn.us; lisa.holker@co.sherburne.mn.us; loriw@lakesandprairies.net; desirae.bonzelet@co.stearns.mn.us; [Pauline Holz](mailto:Pauline.Holz@co.brown.mn.us); Lenhart; [Michelle W. \(DHS\)](mailto:Michelle.W.(DHS)); [Magalis, Andrea M \(DHS\)](mailto:Magalis.Andrea.M.(DHS)); [Gainor, Donna M \(DHS\)](mailto:Gainor,Donna.M.(DHS)); [Shouman, Kristen A \(DHS\)](mailto:Shouman,Kristen.A.(DHS)); [Dickhausen, Jeanne \(MDE\)](mailto:Dickhausen,Jeanne.(MDE)); [Barshack, Jennifer M \(DHS\)](mailto:Barshack,Jennifer.M.(DHS)); [Farah, Leila \(DHS\)](mailto:Farah,Leila.(DHS)); [Yang, Yer \(DHS\)](mailto:Yang,Yer.(DHS)); [Harrington, Nicole M \(MNTI\)](mailto:Harrington,Nicole.M.(MNTI)); [Stephens, Elizabeth \(MDE\)](mailto:Stephens,Elizabeth.(MDE)); [Hogenson, Stephanie R \(MMB\)](mailto:Hogenson,Stephanie.R.(MMB)); mcelrathmaleka@gmail.com
Subject: Child Care Assistance Program (CCAP) Rule Revision: Dual Notice of Intent to Adopt Rules
Date: Monday, June 13, 2022 9:20:00 AM
Attachments: [image003.png](#)
[image004.png](#)
[image005.png](#)
[image006.jpg](#)
[image007.jpg](#)
[CCAP_Dual Notice_final signed.docx](#)
[image002.jpg](#)

Greetings,

You are receiving this notice because you have expressed interest in the Minnesota Department of Human Services' Child Care Assistance Program (CCAP) rulemaking and in the Rule Revision Advisory Committee.

The next step in the rulemaking process is the posting of the dual notice, which marks the opening of the comment period. The Dual Notice of Intent to Adopt Rules was posted in the State Register on June 13, 2022. This notice starts the official comment period, which will end on July 20, 2022.

The proposed rules are available on the Department's website at <https://mn.gov/dhs/partners-and-providers/policies-procedures/rulemaking/>.

Stakeholders have until 4:30 p.m. on July 20, 2022 to submit written comment in support of or in opposition to the proposed rules. In addition to submitting comments, stakeholders may also request the Department hold a public hearing on the rules. A public hearing will be held on Aug 3, 2022 at 9:30 a.m. if 25 or more people send in a written request for a hearing by 4:30 p.m. on July 20, 2022.

Send any comments or questions on the rule or written requests for a public hearing to:

Vanessa Vogl
 Minnesota Department of Human Services, Administrative Law Office
 PO Box 64254
 Saint Paul, MN 55164-0254
 Email: Vanessa.Vogl@state.mn.us
 Phone: 651-431-3168

Thank you for your interest in the Child Care Assistance Program.

Andrea Lentini

Policy Analyst | Child Care Assistance Program
Pronouns: [She/Her](#)

Minnesota Department of Human Services

P.O. Box 64962
Saint Paul, MN 55164-0962
O: 651-431-4045
mn.gov/dhs



Minnesota Department of Human Services

CERTIFICATE OF DELIVERY OF THE DUAL NOTICE OF INTENT TO ADOPT RULES

Proposed Rules Governing the Child Care Assistance Program, Minnesota Rules, Parts 3400.0010 – 3400.0235; Revisor’s ID 4560

I certify that on June 13, 2022, at least 33 days before the end of the comment period, at St. Paul, Ramsey County, Minnesota, I delivered the Dual Notice of Intent to Adopt Rules according to the Additional Notice Plan approved by the Office of Administrative Hearings on May 2, 2022. Specifically, I delivered the (1) Dual Notice of Intent to Adopt Rules, and (2) the proposed rules by sending an electronic memo:

- Via email to stakeholders who are connected with families and providers. We also provided the stakeholders with a plain-language document that contains information about how to make comments and request a hearing, an easily readable and understandable description of the nature and effect of the proposed rule, and an announcement that a free copy is available upon request from Vanessa Vogl, Rulemaking Attorney, Department of Human Services, and asked the stakeholders to give the document to families.

A copy of the sent email and plain-language document is included with this Certificate.



Laurie Possin

Manager
Child Care Assistance Program

From: [Possin, Laurie J \(DHS\)](#)
Subject: Child Care Assistance Program (CCAP) Rule Revision - family engagement request
Date: Monday, June 13, 2022 3:05:17 PM
Attachments: [image003.png](#)
[image004.png](#)
[image005.png](#)
[image006.jpg](#)
[image007.jpg](#)
[CCAP_Dual_Notice_final_signed.pdf](#)
[CCAP_rule_revision_family_engagement_June_2022.pdf](#)
[image008.jpg](#)

Hello -

I'm reaching out because the Minnesota Department of Human Services' Child Care Assistance Program (CCAP) is amending the rule that supports how CCAP is managed. ([For reference, Rule 3400 https://www.revisor.mn.gov/rules/3400/](#) and the attached dual notice).

-
The revisions bring the rules into alignment with current legal authority, and add clarity and consistency for those who administer CCAP and those who benefit from it. The proposed rule changes focus on:

- access to stable child care for children in low-income families with 12 month redetermination cycles and keeping consistent child care authorizations
- determination of income for eligibility (what counts as income)
- reporting responsibilities for program participants (trying to make them consistent and clear)
- provider requirements, including rules that protect the health and safety of children in child care and receiving CCAP funding.

-
As part of the rule revision process, stakeholders were engaged along the way and now are invited to send comments on the rules and/or request a public hearing be held. Someone (perhaps you) participated in some way over the course of the rule revisions (the changes have been underway for a few years).

-
In order to reach families, we have a request to help us get the word out about the opportunity to submit comments. Some families were part of the rule process, but we might be able to reach more with your assistance. Given the large size of the rule draft, attached is a one-page summary document. If possible, we ask that you share this document to assist with reaching families who may have in interest or involvement with CCAP. Feel free to share with any networks or directly with families.

-
Please reach out if you have any questions. As always, your partnership is appreciated.

-
P.S. Child Care providers who subscribe to the CCAP listserv and those on the Rule Advisory Workgroup got a similar notice. This particular communication is written with families in mind.

-
~Laurie

Laurie Possin

Manager | Child Care Assistance Program

laurie.j.possin@state.mn.us

Pronouns: she/her/hers

Minnesota Department of Human Services

P.O. Box 64962
Saint Paul, MN 55164-0962
Office- 651-431-4044
Work Cell – 651-373-0777
mn.gov/dhs



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Why am I getting this notice?

The Minnesota Department of Human Services (DHS) Child Care Assistance Program (CCAP) is updating Minnesota Rules, Chapter 3400, Child Care Fund (<https://www.revisor.mn.gov/rules/3400/>). You can comment and give feedback on the proposed rule changes. Some of the changes may impact you and your family.

What is rule and why does it need changes?

Rules are based on laws, and the rule in Chapter 3400 gives details on how some pieces of the Child Care Assistance Program work. The rules are being updated to align with state and federal law and replace or remove old information.

Are all child care assistance policies included in the rule changes?

There are some things about the Child Care Assistance Program, or CCAP, that can be changed in rule and some things that cannot be changed. Rules cannot conflict with state and federal law.

For example, the rule will **not** change:

- The amount of a family's copayment. Copayments are based on Minnesota Statutes 119B.12 (<https://www.revisor.mn.gov/statutes/cite/119B.12>).
- Child care assistance maximum rates paid to a child care provider. Payment rates are set in Minnesota Statutes 119B.13 (<https://www.revisor.mn.gov/statutes/cite/119B.13>).

What child care assistance policies are being changed in rule that are good for families?

Some policies that the rule would change are:

- Stops families from needing to submit verifications to get on a waiting list.
- Adds vision insurance premiums as a deduction, similar to medical premiums.
- Requires a family's redetermination to start being processed within 10 days after it is sent in.
- Reduces how often a family's benefits can change during the 12 month eligibility period.

Where do I find the rule changes?

The Dual Notice of Intent to Adopt Rules and the draft rule language is at <https://mn.gov/dhs/partners-and-providers/policies-procedures/rulemaking/> (see *Child Care Assistance Program, Supporting Documents*). All new language is underlined and deleted language is crossed out. You can also ask for a free copy of the proposed rules be sent to you in the mail by contacting Vanessa Vogl (contact information below).

How can I give feedback?

You can send comments or questions on the rules. You can also request a public hearing. A public hearing on these rule changes is scheduled for Wednesday, August 3, 2022 at 9:30 a.m. The public hearing is only held if 25 or more people send in a written request for a hearing by 4:30 p.m. on Wednesday, July 20, 2022.

Send any comments or questions on the rule or written requests for a public hearing to:

Vanessa Vogl
Minnesota Department of Human Services, Administrative Law Office
PO Box 64254
Saint Paul, MN 55164-0254
Email: Vanessa.Vogl@state.mn.us
Phone: 651-431-3168
Exhibit H



Children and Family Services, Child Care Assistance Program

Proposed Amendment to Rules Governing the Child Care Assistance Program, *Minnesota Rules*, Parts 3400.0010 through 3400.0235; Revisor's ID 4560

OAH Docket number 82-9029-35572

EXHIBIT I: CERTIFICATE OF DELIVERY OF THE SONAR TO THE LEGISLATIVE REFERENCE LIBRARY

Minnesota Department of Human Services

**CERTIFICATE OF MAILING THE STATEMENT OF NEED AND
REASONABLENESS TO THE LEGISLATIVE REFERENCE LIBRARY**

**Proposed Amendment to Rules Governing the Child Care Assistance Program, Minnesota
Rules, Parts 3400.0010 through 3400.0235; Revisor's ID Number 4560**

I certify that on June 14, 2022, when the Dual Notice of Intent to Adopt Rules was delivered, I submitted an electronic copy of the Statement of Need and Reasonableness to the Legislative Reference Library via email to sonars@lrl.leg.mn. I mailed this copy to comply with Minnesota Statutes, sections 14.131 and 14.23. A copy of the email and cover letter is attached to this Certificate.



Vanessa Vogl
Rulemaking Attorney
General Counsel's Office



June 3, 2022

Legislative Reference Library
645 State Office Building
100 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155

**Re: In the Matter of the Proposed Amendments to Rules of the Minnesota Department of Human Services
Governing the Child Care Assistance Program, *Minnesota Rules*, Parts 3400.0010 – 3400.0235;
Revisor’s ID Number 4560**

Dear Librarian:

Enclosed is a copy of the Statement of Need and Reasonableness (SONAR) from the Minnesota Department of Human Services (Department) for the proposed amendments referenced above. DHS is publishing a Dual Notice of Intent to Adopt Rules Without a Public Hearing Unless 25 or More Persons Request a Hearing and Notice of Hearing If 25 or More Requests for Hearing are Received in the June 13, 2022 issue of the *State Register*.

As required by Minnesota Statutes, sections 14.131 and 14.23, the Department is sending an electronic copy of this SONAR to the Legislative Reference Library at the time the Department is sending the Dual Notice to the required parties.

If you have any questions, please contact me by email at vanessa.vogl@state.mn.us.

Yours very truly,

A handwritten signature in black ink that reads 'Vanessa Vogl'.

Vanessa Vogl
Rulemaking Attorney
Administrative Law Office | General Counsel’s Office

Enclosure: Statement of Need and Reasonableness

Equal Opportunity Employer

From: [Vogl, Vanessa M \(DHS\)](#)
To: sonars@lr.leg.mn
Cc: [Vogl, Vanessa M \(DHS\)](#)
Subject: SONAR for the Department of Human Services Proposed Rules Governing the Child Care Assistance Program
Date: Friday, June 3, 2022 5:31:00 PM
Attachments: [CCAP_Dual_Notice_signed.pdf](#)
[CCAP_SONAR_signed.pdf](#)
[RD4560_final_draft.pdf](#)
[CCAP_SONAR_cover_letter.pdf](#)
[Notice of MN Department of Human Services Proposed Rules Amendments Governing the Child Care Assistance Program.msg](#)
[image002.png](#)
[image003.png](#)
[image004.png](#)

Greetings,

The attached email, Dual Notice, SONAR, and proposed rule amendments were sent to legislators today as required by MS 14.116(b). The Dual Notice and proposed rule amendments will be published in the June 13, 2022 edition of the State Register. Additional communication regarding the notice was sent out over the past week and today according to our approved Additional Notice Plan. I am providing this information to the Legislative Reference Library as required by MS 14.131. A cover letter for the SONAR is also attached to this email for purposes of the Legislative Reference Library.

Please let me know if you have questions or require any further information.

Thank you!

Vanessa

Vanessa Vogl

[Pronouns:](#) she/her/hers

Rulemaking Attorney | Administrative Law Office

Minnesota Department of Human Services

P.O. Box 64254

St. Paul, MN, 55164-0254

O: 651-431-3168

F: 651-431-7714

mn.gov/dhs





Children and Family Services, Child Care Assistance Program

Proposed Amendment to Rules Governing the Child Care Assistance Program, *Minnesota Rules*, Parts 3400.0010 through 3400.0235; Revisor's ID 4560

OAH Docket number 82-9029-35572

EXHIBIT J-1: WRITTEN COMMENTS ON THE RULE AND THE DEPARTMENT'S RESPONSES

From: [Lentini, Andrea \(DHS\)](#)
To: [Stacey Roedel](#)
Cc: [Possin, Laurie J \(DHS\)](#); [Vogl, Vanessa M \(DHS\)](#)
Subject: RE: Vacation
Date: Wednesday, July 13, 2022 4:23:20 PM
Attachments: [image003.png](#)
[image004.png](#)
[image005.png](#)

Hi Stacey,

Thank you for submitting your comment on the Department of Human Services' Child Care Assistance Program rules. The rule making process alone cannot address your concern. In order to pay days when a provider is closed and care is not available, such as vacation days, the CCAP statute would need to change. Rules cannot conflict with state and federal law.

Minn. Stat. 119B.13, subd. 7(d) specifies the days a provider can be paid while closed and currently limits payment for closed days to holidays. Proposed rule language expands upon this language to allow the 10 holidays a provider is able to use per calendar year to include cultural and religious holidays of the provider's choosing and no longer requires the day to only be a state or federal holiday.

Further changes to allow provider vacation days or change the maximum rates paid to a provider requires legislation and statute change, and cannot be accomplished through rulemaking alone.

Thank you,
Andrea

Andrea Lentini

Policy Analyst | Child Care Assistance Program
Pronouns: [She/Her](#)

Minnesota Department of Human Services

P.O. Box 64962
Saint Paul, MN 55164-0962
O: 651-431-4045
mn.gov/dhs



-----Original Message-----

From: Vogl, Vanessa M (DHS) <vanessa.vogl@state.mn.us>
Sent: Tuesday, June 21, 2022 3:32 PM
To: Stacey Roedel <staceyroedel@yahoo.com>
Cc: Lentini, Andrea (DHS) <andrea.lentini@state.mn.us>
Subject: RE: Vacation

Hi Stacey,

Thank you for taking the time to comment on the Department of Human Services' Child Care Assistance Program rules. We consider every comment we receive. We will let you know whether we decide to make any changes accordingly to the rules as proposed, or explain why we are not making changes. In the meantime, if you have further thoughts or comments, or questions, please let me know!

Thank you,
Vanessa

Vanessa Vogl
Pronouns: she/her/hers
Rulemaking Attorney | Administrative Law Office Minnesota Department of Human Services P.O.
Box 64254 St. Paul, MN, 55164-0254
O: 651-431-3168
F: 651-431-7714
mn.gov/dhs

-----Original Message-----

From: Stacey Roedel <staceyroedel@yahoo.com>
Sent: Monday, June 13, 2022 1:34 PM
To: Vogl, Vanessa M (DHS) <vanessa.vogl@state.mn.us>
Subject: Vacation

This message may be from an external email source.
Do not select links or open attachments unless verified. Report all suspicious emails to Minnesota IT Services Security Operations Center.

Hello!

I also think they should pay up to 5 days for a provider to take a vacation. I take 5 vacation days a

year. All my families pay for those days. Why shouldn't Daycare providers get paid vacation? This is one reason people don't take kids on assistance. I only decided to take two kids again is because the mom was in my daycare. Otherwise, I quit a long time ago. They also don't pay what we charge our parents that are not in assistance.

Thank you!

Stacey Roedel

Sent from my iPhone

Caution: This e-mail and attached documents, if any, may contain information that is protected by state or federal law. E-mail containing private or protected information should not be sent over a public (nonsecure) Internet unless it is encrypted pursuant to DHS standards. This e-mail should be forwarded only on a strictly need-to-know basis. If you are not the intended recipient, please: (1) notify the sender immediately, (2) do not forward the message, (3) do not print the message and (4) erase the message from your system.

From: [Lentini, Andrea \(DHS\)](#)
To: [Mithula Perera](#)
Cc: [Vogl, Vanessa M \(DHS\)](#); [Possin, Laurie J \(DHS\)](#)
Subject: RE: Minnesota Rules, parts 3400.0010 – 3400.0235, without a public hearing following the
Date: Wednesday, July 13, 2022 4:24:26 PM
Attachments: [image009.png](#)
[image010.png](#)
[image011.png](#)

Hi Mithula,

Thank you for submitting your comment on the Department of Human Services' Child Care Assistance Program rules.

The proposed changes you submitted comment on do not create any additional financial or administrative burdens for providers, families, and CCAP agencies beyond what is required by statute. The purpose of these rule changes is to provide clarity about how to operationalize the existing CCAP laws.

Minn. Rules 3400.0120, subp. 1a identifies the information that all child care providers must provide and acknowledge when registering to receive child care assistance payments. When registering, all provider complete a provider registration and acknowledgement form ([DHS-5190](#) is the form used by licensed child care centers). The proposed additional acknowledgements in this subpart would be incorporated into the registration and acknowledgment form managed by the Department.

Proposed changes to Item A replace “provider” with “child care provider” and “care” with “child care.” The use of consistent terms throughout the chapter provides clarity to the user and helps remove ambiguity from the language. This item also removes "activity fees" as Minn. Stat. § 119B.13, subd. 1(h) does not allow the Child Care Assistance Program to pay a provider's activity fees.

Additional language in Item C is based on the program integrity requirements in Minn. Stat. § 119B.02, subd. 5 which allow for investigations into program integrity and fraud if concerns become known.

Additions to Item E accommodate provider reporting requirements under Minn. Stat. § 119B.125, subd. 9 which states a provider must report when a child attends less than half of their authorized hours or days for a four-week period.

Thank you,
Andrea

Andrea Lentini

Policy Analyst | Child Care Assistance Program

Pronouns: [She/Her](#)

Minnesota Department of Human Services

P.O. Box 64962
Saint Paul, MN 55164-0962
O: 651-431-4045
mn.gov/dhs



From: Vogl, Vanessa M (DHS) <vanessa.vogl@state.mn.us>
Sent: Wednesday, June 22, 2022 3:17 PM
To: Mithula Perera <mithula.miniapple@gmail.com>
Cc: Lentini, Andrea (DHS) <andrea.lentini@state.mn.us>
Subject: RE: Minnesota Rules, parts 3400.0010 – 3400.0235, without a public hearing following the

Dear Mithula,

This is very helpful, thank you. We do consider every comment we receive. Even if we do not end up having a hearing, we will let you know whether we decide to make any changes accordingly to the rules as proposed, or explain why we are not making changes.

Sincerely,
Vanessa

From: Mithula Perera <mithula.miniapple@gmail.com>
Sent: Wednesday, June 22, 2022 12:17 PM
To: Vogl, Vanessa M (DHS) <vanessa.vogl@state.mn.us>
Subject: Re: Minnesota Rules, parts 3400.0010 – 3400.0235, without a public hearing following the

Dear Vanessa

Thanks for your reply.

This is Miniapple Intl. Montessori School Inc

We oppose the following provision of the MN rule 3400.0120
item A - "Notice for charges for days child is absent or holidays"

Item C is not clear to us.

Item E- " notice of county on absence days and end of care "

We would want a public hearing as these additional notifications put an undue additional work load on our staff than what we do for our non CCAP families.

Thanks

Mithula Perera

CFO
Miniapple Intl. Montessori School Inc

On Tue, Jun 21, 2022 at 3:18 PM Vogl, Vanessa M (DHS) <vanessa.vogl@state.mn.us> wrote:

Dear Mithula,

Thank you for your email and request for a hearing on the Child Care Assistance Program Rules, parts 3400.0010 – 3400.0235. In order for your request for a hearing to be valid, under Minnesota Statutes, section 14.25, subdivision 1, and reflected in the Dual Notice of Intent to Adopt Rules on page 3 (attached here for your reference), a valid request must:

- (1) be in writing,
- (2) include the name and address (email address is fine) of the person requesting the public hearing; and
- (3) **include the portion or portions of the rule to which the person objects, or a statement that the person opposes the entire rule.**

Your request does not fulfill the third requirement. If you would like your hearing request to count as valid, please resubmit and let us know what portion or portions of the rule to which you object or include a statement that you oppose the entire rule. This helps to give the Department a sense of what is most concerning to the people who are requesting a hearing.

The deadline for submitting a valid request is July 20, 2022, at 4:30 p.m. If the Department receives 25 or more requests for a hearing by the deadline, a hearing will be held on Wednesday, August 3, 2022, starting at 9:30 a.m. The hearing will held virtually via Webex. Here is the information to join:

For video and audio connection to the virtual hearing, join through an internet connection, such as with a computer or tablet:

Enter <https://minnesota.webex.com>

Event number (access code): 2490 165 8505

Event password: 9xBdDyTjN38

For audio connection only, join the hearing by phone:

Call: 1-415-655-0003 (US Toll)

Access code: 2490 165 8505

If we have a hearing I will be sure to let you know. In the meantime, if you have any questions, please do not hesitate to contact me.

Thank you!

~Vanessa

Vanessa Vogl

[Pronouns](#): she/her/hers

Rulemaking Attorney | Administrative Law Office

Minnesota Department of Human Services

P.O. Box 64254

St. Paul, MN, 55164-0254

O: 651-431-3168

F: 651-431-7714

mn.gov/dhs



From: Mithula Perera <mithula.miniapple@gmail.com>

Sent: Tuesday, June 14, 2022 10:58 AM

To: Vogl, Vanessa M (DHS) <vanessa.vogl@state.mn.us>

Subject: Minnesota Rules, parts 3400.0010 – 3400.0235, without a public hearing following the

This message may be from an external email source.

Do not select links or open attachments unless verified. Report all suspicious emails to Minnesota IT Services Security Operations Center.

Dear Vanessa

I am writing to inform you that Miniapple Intl. Montessori would like to have a public hearing on this "rules 3400.0010-3400.0235. please inform me as to the date and time of the public hearing.

Thanks

Mithula Perera

CFO

Miniapple Intl. Montessori School Inc.

Caution: This e-mail and attached documents, if any, may contain information that is protected by state or federal law. E-mail containing private or protected information should not be sent over a public (nonsecure) Internet unless it is encrypted pursuant to DHS standards. This e-mail should be forwarded only on a strictly need-to-know basis. If you are not the intended recipient, please: (1) notify the sender immediately, (2) do not forward the message, (3) do not print the message and (4) erase the message from

From: [Nancy Jost](#)
To: [Lentini, Andrea \(DHS\)](#)
Cc: [Vogl, Vanessa M \(DHS\)](#); [Possin, Laurie J \(DHS\)](#)
Subject: Re: [EXTERNAL] RE: Rulemaking / Minnesota Department of Human Services
Date: Wednesday, July 13, 2022 5:01:19 PM
Attachments: [image002.png](#)
[image003.png](#)
[image004.png](#)
[image002.png](#)
[image003.png](#)
[image004.png](#)
[image002.png](#)
[image003.png](#)
[image004.png](#)

Thank you for getting back to me, the information and your thoughtfulness in making the decision

Sent from my iPhone

On Jul 13, 2022, at 4:23 PM, Lentini, Andrea (DHS)
 <andrea.lentini@state.mn.us> wrote:

Caution: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hi Nancy,

Thank you for submitting your comment on the Department of Human Services' Child Care Assistance Program rules. The Department engaged multiple stakeholders on this topic. The topic was discussed during the Department's Rule Revision Advisory Committee Meeting in December 2019 and the Department met with a Legal Nonlicensed Child Care Provider Workgroup in February 2020.

Some rationale for eight children applicable to legal nonlicensed provider providers includes:

- >Licensed providers can have up to 12 children, are reimbursed at higher rates and can access the Child and Adult Care Food Program (and some other financial resources that legal nonlicensed provider providers cannot).
- >Legal nonlicensed provider under CCAP are paid less, but must take many of the same trainings as licensed providers, complete background studies and some are subject to annual inspections. They do incur expenses to be part of CCAP.
- >Stakeholders recommended up to eight children (which include the provider's own children) so that larger families have options that may not exist in their area, or for the hours care is needed.
- >The Department did take into account health and safety by proposing limits for certain ages, specifically due to the more strenuous demands of caring for infants and toddlers.

Note: The Department reviewed data and as of February 3, 2022, none of the current

66 legal nonlicensed child care providers were authorized to care for more than six children.

Thank you,
Andrea

Andrea Lentini

Policy Analyst | Child Care Assistance Program
Pronouns: [She/Her](#)

Minnesota Department of Human Services

P.O. Box 64962
Saint Paul, MN 55164-0962
O: 651-431-4045
mn.gov/dhs



From: Vogl, Vanessa M (DHS) <vanessa.vogl@state.mn.us>
Sent: Tuesday, June 21, 2022 3:32 PM
To: Nancy Jost <nancy@wcif.org>
Cc: Lentini, Andrea (DHS) <andrea.lentini@state.mn.us>
Subject: RE: Rulemaking / Minnesota Department of Human Services

Hi Nancy,

Thank you for taking the time to comment on the Department of Human Services' Child Care Assistance Program rules. We consider every comment we receive. We will let you know whether we decide to make any changes accordingly to the rules as proposed, or explain why we are not making changes. In the meantime, if you have further thoughts or comments, or questions, please let me know!

Thank you,
Vanessa

Vanessa Vogl

[Pronouns:](#) she/her/hers

Rulemaking Attorney | Administrative Law Office

Minnesota Department of Human Services

P.O. Box 64254

St. Paul, MN, 55164-0254

O: 651-431-3168

F: 651-431-7714

mn.gov/dhs



From: Nancy Jost <nancy@wcif.org>
Sent: Wednesday, June 15, 2022 9:30 AM
To: Vogl, Vanessa M (DHS) <vanessa.vogl@state.mn.us>
Subject: Rulemaking / Minnesota Department of Human Services

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[Rulemaking / Minnesota Department of Human Services](#)

I worry that allowing an LNL provider to have up to 8 children is too many. I think it disincentivizes providers from becoming licensed. I think the number should be 5 or maybe 6.

<https://mn.gov/dhs/partners-and-providers/policies-procedures/rulemaking/>

Sent from [Mail](#) for Windows

Caution: This e-mail and attached documents, if any, may contain information that is

From: [Lentini, Andrea \(DHS\)](#)
To: [Clare Sanford](#)
Cc: [Vogl, Vanessa M \(DHS\)](#); [Possin, Laurie J \(DHS\)](#)
Subject: RE: CCAP Rule Revision Comments
Date: Wednesday, July 13, 2022 4:24:27 PM
Attachments: [Minnesota Child Care Association comments.docx](#)
[image002.png](#)
[image003.png](#)
[image004.png](#)
[image007.png](#)
[image008.png](#)

Hi Clare,

Thank you for taking the time to comment on the Department of Human Services' Child Care Assistance Program rules. We've responded to your comments in the attached document.

Thank you,
Andrea

From: Vogl, Vanessa M (DHS) <vanessa.vogl@state.mn.us>
Sent: Thursday, July 7, 2022 8:08 PM
To: Clare Sanford <Csanford@nhacademy.net>
Cc: Lentini, Andrea (DHS) <andrea.lentini@state.mn.us>
Subject: RE: CCAP Rule Revision Comments

Dear Clare,

Thank you for taking the time to comment on the Department of Human Services' Child Care Assistance Program rules. We consider every comment we receive. We will let you know whether we decide to make any changes accordingly to the rules as proposed, or explain why we are not making changes. In the meantime, if you have further thoughts or comments, or questions, please let me know!

Thank you,
Vanessa

Vanessa Vogl

[Pronouns:](#) she/her/hers

Rulemaking Attorney | Administrative Law Office

Minnesota Department of Human Services

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mn.gov/dhs



From: Clare Sanford <Csanford@nhacademy.net>
Sent: Thursday, July 7, 2022 7:09 PM
To: Vogl, Vanessa M (DHS) <vanessa.vogl@state.mn.us>
Subject: CCAP Rule Revision Comments

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Hello Vanessa,

Attached please find feedback from the MN Child Care Association.

Thank you for this opportunity,

Clare S.



Clare Sanford
Vice President of Government and Community Relations
Government Relations Chair, Minnesota Child Care Association
New Horizon Academy
3405 Annapolis Lane N, Suite 100, Plymouth, MN 55447
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D: 763-383-6221
C: 612-708-4816

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Minnesota Child Care Association comments & DHS responses
July 8, 2022

Definition of Children in At-Risk Populations

4.4 Subp. 9a. 11a. **Child in an at-risk population.** "Child in an at-risk population" means a child with environmental or familial factors that create barriers to a the child's optimal achievement. Factors include, but are not limited to, such as a federal or state disaster, limited English proficiency in a family, a history of abuse or neglect, a determination that the children are child is at risk of abuse or neglect, family violence, homelessness, the age of the child's mother, the level of maternal education, mental illness, a developmental disability, or parental chemical dependency, or a history of other substance abuse.

Comments

What is the purpose of providing this definition? Are there ways to make this language less deficit-based? The list above implies personal shortcomings of families participating in CCAP and does not acknowledge the systemic barriers often facing families of low incomes. When considering that low income is one of the factors most highly correlated to educational outcomes, the mere fact that all children participating in CCAP are accessing a program specifically for low-income individuals also makes this extended definition seem moot.

If this definition is necessary anything to make it more inclusive and more strength-based would be welcome. Even changing to a phrase along the lines of, "Children facing situations of potential risk" would be more positive than labeling each of the above groups "at risk populations." In general throughout these proposed rules we are looking for ways that families and providers are supported and protected, not just CCAP agencies. While not specific to the above section, the overall change in language from "recipient" to "participant" in this document, as well as the move from "parent" to "parentally responsible individual" are good and welcome.

Response

The purpose of this definition is to allow higher payments to better meet needs of children who have risk factors, if the provider offers specialized services (Strong Beginnings programs in Hennepin County and teen parent programs in several counties are examples). CCAP is able to pay a special needs rate for a child care provider caring for a child in an at-risk population. Providing a definition to "child in an at-risk population" provides needed context to determine if a different rate is able to be paid. See Minn. R. 3400.0130, subp. 3b.

While proposed edits were made to add "child" and "population" with the intent to not refer to a child as "at-risk," the Department appreciates your comments and is considering changing this language based on your comment. We will also be mindful of language in materials and other supporting documents that implement this rule in using your suggestions to describe at-risk populations.

Definition of Schedule Reporter

10.13 Subp. 38c. Schedule reporter. "Schedule reporter" means a family that meets at least one of the following criteria:

A.a parentally responsible individual in the family is employed by a child care
10.16 center licensed by the Minnesota Department of Human Services;

- B.at least one child in the family is authorized for child care assistance with a 10.18 legal nonlicensed child care provider; or
 C.at least one child in the family is authorized for child care assistance with more 10.20 than one child care provider.

Comments

The above appears to refer only to children of child care center employees. While we know that licensed Family Child Care (FCC) programs may not collect CCAP payments for children of the license holder, does the above language also encompass the children of any staff employed in the FCC setting by the license holder?

Response

This criteria for schedule reporters only applies to families employed by child care centers licensed by the Department of Human Services, as specified in statute (see Minn. Stat. 119B.095, subd. 1(b)). Parentally responsible individuals employed by tribally licensed child care centers, certified child care centers, or licensed family child care providers do not meet this criteria.

Citizenship Requirements

21.5 D.An applicant must have at least one child who meets the citizenship or immigration status requirement in the Federal Child Care and Development Fund, Code of Federal Regulations, title 45, section 98.20(c), or who is receiving child care in a setting subject to public education standards. For a CCAP agency to authorize care of a child, a family must verify the child's citizenship or immigration status unless a setting subject to public education standards is providing care for the child. 21.6 21.7 21.8 21.9 21.10

Comments

Our understanding is that Head Start and public pre-k programs do not require citizenship verification, while CCAP does. The above is interesting and new to our thinking – so CCAP *can* support children who are not US citizens, but only if they are funding child care time in a Head Start or public school setting? The above is also confusing in that it states that an applicant must have “at least one child who meets citizenship or immigration status requirements.” That makes it sound like if an applicant has 5 children and only one is a citizen, CCAP benefits can extend to the family at large. I do not think that is the case and later on the paragraph seems to make that clear, but it is confusing in the beginning.

Response

This language is intended to convey that an applicant must have one child that meets the outlined requirements to be eligible for CCAP, and care can only be authorized for children who meet either citizenship/immigration requirements or attend child care in a setting subject to public education standards. The changes identified in the rule are clarification of existing policy.

Methods to Report Status Changes

23.13 D.A participant may report a change to the CCAP agency in person, by telephone, by facsimile, by mail, electronically, by e-mail, or on a change reporting form. 23.14

Comments

Here and elsewhere in the document we commend the clear stating of electronic communication, and specifically e-mail, to be acceptable. There are currently too many differences in rules by differing CCAP agencies governing how participants and providers are allowed to communicate with said agencies, many of them unnecessarily limiting, burdensome, and archaic.

Response

Thank you for your comments.

Schedule Reporters

B.A CCAP agency must not decrease a 12-month reporter's authorized child care during the 12-month eligibility period if there is a temporary break or a change in the parentally responsible individual's employment, education and training, or employment plan activity, unless the 12-month reporter requests a reduction in authorized child care hours or requests that the CCAP agency suspend child care.

39.6 39.7 39.8 39.9

39.10 C.A CCAP agency must end a schedule reporter's authorization and suspend the schedule reporter's eligibility if there is a temporary break in the schedule reporter's employment, education or training, or employment plan activity and the parentally responsible individual has no other authorized activity, unless the parentally responsible individual meets the criteria in part 3400.0110, subpart 10.

39.11 39.12 39.13 39.14

Comments

The difference in the above on how 12 month reporters are treated vs schedule reporters (which include all employees of child care centers) is not new but is striking. We do not support the fact that schedule reporters do not receive the same benefits of consistency and uninterrupted care as do 12 month reporters, though we realize this is currently required by statute. Program integrity is incredibly important, but the category of schedule reporters penalizes participants for their career choices. Due to the fact that child care center employee participants are schedule reporters, for example, they are not able to access continuing CCAP support during parental leaves. While 12 month reporters may continue to access CCAP to send other children to child care and have parental leave time to bond with a new child, child care center staff do not get this benefit. CCAP agencies *must not* decrease authorized child care if there is a temporary break in activity for 12 month reporters, but those agencies *must end* a schedule reporter's authorization under the same circumstances. This is highly unfair and inequitable.

Payment During Medical Leaves of Absence

Subp. 10.Payment during medical leaves of absence. Counties A CCAP agency

63.2 must grant authorize child care assistance for a schedule reporter during a parent's the

63.3 schedule reporter's medical leave of absence from education or, employment, or authorized

63.4 activity in an employment plan if:

A.the parent parentally responsible individual is incapable of providing unable

63.6 to provide child care during due to the individual's medical leave or absence condition;

B.the parent parentally responsible individual is expected to return to authorized

63.8 employment or, an approved education or training program, or employment plan activity

63.9 within 90 calendar days after leaving the job, education, or training program, or activity;

63.10 and C.the necessity of the medical leave and the inability to provide child care are

63.12 documented by a licensed physician or, licensed psychiatrist, licensed psychologist, or

63.13 licensed social worker. The amount of child care authorized during the medical leave of absence must not 63.15 exceed the equivalent of one month of full-time 215 hours of child care per child.

Comments

The above continues our previous comments regarding schedule reporters. In order for a schedule reporter to benefit from uninterrupted CCAP support during a medical leave such as maternity leave, the parentally responsible individual would need to be certified as incapable of providing child care to older children during that time. This double standard robs schedule reporters of the benefit of having focused, uninterrupted time to be with a new child in the family, again because of those individuals' career choices to work in child care centers. While this is a provision aimed at program integrity, it is anti-family.

Response

Thank you for your thoughts on this topic and these two subparts. As you mentioned, this policy is currently required by statute and any changes would require a statute change.

Preliminary Determinations

3400.0065BASIC SLIDING FEE WAITING LIST.

44.2 Subpart 1. Basic sliding fee program waiting lists. When a family inquires about or
 44.3 applies for child care assistance and basic sliding fee funding is not immediately available,
 44.4 a CCAP agency must perform a preliminary determination of the family's eligibility. A
 44.5 CCAP agency must not request or require a family to submit verifications during the
 44.6 preliminary determination of eligibility. If a CCAP agency determines that a family is or
 44.7 will likely be eligible for child care assistance and funding is not immediately available,
 44.8 the CCAP agency must place the family on a waiting list. A CCAP agency must determine
 44.9 the highest priority group for which a family qualifies and must notify the family of this
 44.10 determination. A CCAP agency must keep a written record identifying each family that the
 44.11 CCAP agency places on the child care waiting list.

Comments

We are pleased to see that CCAP agencies must perform preliminary determinations of eligibility in order to place families on waiting lists *without* requiring potential participants to submit onerous verifications until such time as CCAP becomes available to said participant and these verifications must be done. There is little point in having low income families gather all of the necessary documentation when sadly (due to inadequate program funding) they could be months or even years away from actually receiving assistance.

Response

Thank you for your comments.

Transition Year & Transition Year Extension Eligibility

48.18 A.A family must only use transition year child care assistance may only be used to support employment and, a job search related expenses, and an approved education or training program that meets the requirements in Minnesota Statutes, section 119B.10. A family is eligible for transition year

child care if the family meets the conditions in items A to D are met subitems (1) to (4). 48.19 48.20
48.21 48.22

51.2 A.A family must only use transition year extension child care assistance to support employment, a job search, **and** an approved education and training program that meets the requirements in Minnesota Statutes, section 119B.10. 51.3 51.4

Comments

In both of the above instances the language reads that participants must meet all three criteria (employment, job search, and an education/training program) in order to be eligible for Transition Year CCAP. Is this correct, or should the highlighted portions above be changed from “and” to “or”?

Response

It is correct to use “and” in these two subparts. The language in these two subparts does not reflect criteria that a family must meet to receive Transition Year or Transition Year Extension child care assistance; the language provides instances when a family can use either Transition Year or Transition Year Extension child care assistance. Additionally, proposed language on 36.12 – 36.14 states that a participant or applicant cannot use job search in combination with any other activity, further supporting that a family does not need to be participating in all the named activities in order to be eligible.

Limit of Child Care Center Employees Receiving CCAP

57.19 A.When a CCAP agency authorizes child care in excess of the limit of children of child care center employees in Minnesota Statutes, section 119B.09, subdivision 9a, the CCAP agency must issue a 15-day adverse action notice and terminate the authorization of any child in excess of the limit. The CCAP agency must terminate the authorization of the child or children whose child care was most recently authorized until there are no authorizations in excess of the limit. 57.20 57.21 57.22 57.23 57.24
57 3400.0110 REVISOR BD/BM RD4560 02/25/22 58.1

B.If a parentally responsible individual becomes a child care center employee at the same child care center where the individual's child is authorized to receive child care and the child care center exceeds the limit of children of child care center employees in Minnesota Statutes, section 119B.09, subdivision 9a, the CCAP agency must issue a 15-day adverse action notice and terminate authorization of the individual's child. 58.2 58.3 58.4 58.5

Comments

Our interpretation of the above is that it is up to the CCAP agency, not the child care provider, to determine when the 25 children of employees limit has been reached and communicate directly with affected families about their eligibility to attend that provider using CCAP. If this interpretation is incorrect we suggest clarification within the language so there is no confusion.

Response

Your interpretation is correct. CCAP agencies implement this policy.

Holiday Payments

61.1 (2)the day is a state or federal holidays are holiday as determined according to Minnesota Statutes, section 645.44, subdivision 5. or another cultural or religious holiday designated by the child care provider; 61.2 61.3

61.21 F.A parentally responsible individual may substitute other cultural or religious holidays for the ten state and federal holidays identified in Minnesota Statutes, section 645.44, subdivision 5, 61.22 61.23

Comments

We applaud the flexibility in the proposed rules to allow other cultural/religious holidays to be paid (in lieu of some state/federal holidays) at the request of a parentally responsible individual to the CCAP agency, or as requested for an entire provider's program at the provider's request to the CCAP agency. This recognizes the importance of families having the freedom to observe cultural and religious traditions important to them without financial structures penalizing them for this.

Response

Thank you for your comments.

Redetermination Processing

103.1 Subp. 2. Redetermination processing.

103.2 A. A CCAP agency must begin processing a participant's redetermination within

103.3 ten calendar days from the date that the CCAP agency receives a redetermination form.

103.4

Comments

Setting a ten day parameter for CCAP agencies to begin processing redetermination forms is a welcome added protection for families, one which will hopefully result in families receiving additional time to submit any documentation found to be missing without interruption of child care services.

Response

Thank you for your comments.



Vanessa Vogl
Minnesota Department of Human Services
July 8, 2022

RE: Proposed Child Care Assistance Program Rulemaking

Dear Ms. Vogl,

Thank you for the opportunity to comment on the proposed rules governing Minnesota's Child Care Assistance Program (CCAP). As a statewide association of child care center providers, the Minnesota Child Care Association is pleased to be able to review this proposal and offer input on behalf of our member programs and the families we serve.

After the 2014 reauthorization of the Child Care and Development Block Grant many changes were necessary in our state's administration of CCAP, and we have all worked for multiple years on the statutory changes required to implement many of these reforms. There is welcome relief in seeing the proposed rules catch up to, clarify, and codify much of that legislative language.

I have pasted the text of the proposed rule in each section where we submit comment. I realize that the formatting (intended additions and deletions) does not transfer, which can look confusing. I did this to have an in-document reference point, knowing that the source document must be referenced for the intended language changes.

If you have questions or would like clarification, please reach out anytime.

Sincerely,

A handwritten signature in cursive script that reads "Clare Sanford".

Clare Sanford
Government Relations Chair
Minnesota Child Care Association

Definition of Children in At-Risk Populations

4.4 Subp. 9a. 11a. **Child in an at-risk population.** "Child in an at-risk population" means a child with environmental or familial factors that create barriers to a the child's optimal achievement. Factors include, but are not limited to, such as a federal or state disaster, limited English proficiency in a family, a history of abuse or neglect, a determination that the children are child is at risk of abuse or neglect, family violence, homelessness, the age of the child's mother, the level of maternal education, mental illness, a developmental disability, or parental chemical dependency, or a history of other substance abuse.

Comments

What is the purpose of providing this definition? Are there ways to make this language less deficit-based? The list above implies personal shortcomings of families participating in CCAP and does not acknowledge the systemic barriers often facing families of low incomes. When considering that low income is one of the factors most highly correlated to educational outcomes, the mere fact that all children participating in CCAP are accessing a program specifically for low-income individuals also makes this extended definition seem moot.

If this definition is necessary anything to make it more inclusive and more strength-based would be welcome. Even changing to a phrase along the lines of, "Children facing situations of potential risk" would be more positive than labeling each of the above groups "at risk populations." In general throughout these proposed rules we are looking for ways that families and providers are supported and protected, not just CCAP agencies. While not specific to the above section, the overall change in language from "recipient" to "participant" in this document, as well as the move from "parent" to "parentally responsible individual" are good and welcome.

Definition of Schedule Reporter

10.13 Subp. 38c. Schedule reporter. "Schedule reporter" means a family that meets at least one of the following criteria:

- A. a parentally responsible individual in the family is employed by a child care 10.16 center licensed by the Minnesota Department of Human Services;
- B. at least one child in the family is authorized for child care assistance with a 10.18 legal nonlicensed child care provider; or
- C. at least one child in the family is authorized for child care assistance with more 10.20 than one child care provider.

Comments

The above appears to refer only to children of child care center employees. While we know that licensed Family Child Care (FCC) programs may not collect CCAP payments for children of the license holder, does the above language also encompass the children of any staff employed in the FCC setting by the license holder?

Citizenship Requirements

21.5 D. An applicant must have at least one child who meets the citizenship or immigration status requirement in the Federal Child Care and Development Fund, Code of Federal Regulations, title 45, section 98.20(c), or who is receiving child care in a setting subject to public education standards. For a CCAP agency to authorize care of a child, a family must verify the child's citizenship or immigration

MCCA CCAP Rule Revision Notes

July 8, 2022

status unless a setting subject to public education standards is providing care for the child. 21.6 21.7
21.8 21.9 21.10

Comments

Our understanding is that Head Start and public pre-k programs do not require citizenship verification, while CCAP does. The above is interesting and new to our thinking – so CCAP *can* support children who are not US citizens, but only if they are funding child care time in a Head Start or public school setting? The above is also confusing in that it states that an applicant must have “at least one child who meets citizenship or immigration status requirements.” That makes it sound like if an applicant has 5 children and only one is a citizen, CCAP benefits can extend to the family at large. I do not think that is the case and later on the paragraph seems to make that clear, but it is confusing in the beginning.

Methods to Report Status Changes

23.13 D.A participant may report a change to the CCAP agency in person, by telephone, by facsimile, by mail, electronically, by e-mail, or on a change reporting form. 23.14

Comments

Here and elsewhere in the document we commend the clear stating of electronic communication, and specifically e-mail, to be acceptable. There are currently too many differences in rules by differing CCAP agencies governing how participants and providers are allowed to communicate with said agencies, many of them unnecessarily limiting, burdensome, and archaic.

Schedule Reporters

B.A CCAP agency must not decrease a 12-month reporter's authorized child care during the 12-month eligibility period if there is a temporary break or a change in the parentally responsible individual's employment, education and training, or employment plan activity, unless the 12-month reporter requests a reduction in authorized child care hours or requests that the CCAP agency suspend child care. 39.6 39.7 39.8 39.9

39.10 C.A CCAP agency must end a schedule reporter's authorization and suspend the schedule reporter's eligibility if there is a temporary break in the schedule reporter's employment, education or training, or employment plan activity and the parentally responsible individual has no other authorized activity, unless the parentally responsible individual meets the criteria in part 3400.0110, subpart 10. 39.11 39.12 39.13 39.14

Comments

The difference in the above on how 12 month reporters are treated vs schedule reporters (which include all employees of child care centers) is not new but is striking. We do not support the fact that schedule reporters do not receive the same benefits of consistency and uninterrupted care as do 12 month reporters, though we realize this is currently required by statute. Program integrity is incredibly important, but the category of schedule reporters penalizes participants for their career choices. Due to the fact that child care center employee participants are schedule reporters, for example, they are not able to access continuing CCAP support during parental leaves. While 12 month reporters may continue to access CCAP to send other children to child care and have parental leave time to bond with a new child, child care center staff do not get this benefit. CCAP agencies *must not* decrease authorized child care if there is a temporary break in activity for 12 month reporters, but those agencies *must end* a schedule reporter's authorization under the same circumstances. This is highly unfair and inequitable.

July 8, 2022

Payment During Medical Leaves of Absence

Subp. 10. Payment during medical leaves of absence. Counties A CCAP agency 63.2 must grant authorize child care assistance for a schedule reporter during a parent's the 63.3 schedule reporter's medical leave of absence from education or, employment, or authorized 63.4 activity in an employment plan if:

A. the parent parentally responsible individual is incapable of providing unable 63.6 to provide child care during due to the individual's medical leave or absence condition;

B. the parent parentally responsible individual is expected to return to authorized 63.8 employment or, an approved education or training program, or employment plan activity 63.9 within 90 calendar days after leaving the job, education, or training program, or activity; 63.10 and C. the necessity of the medical leave and the inability to provide child care are 63.12 documented by a licensed physician or, licensed psychiatrist, licensed psychologist, or 63.13 licensed social worker. The amount of child care authorized during the medical leave of absence must not 63.15 exceed the equivalent of one month of full-time 215 hours of child care per child.

Comments

The above continues our previous comments regarding schedule reporters. In order for a schedule reporter to benefit from uninterrupted CCAP support during a medical leave such as maternity leave, the parentally responsible individual would need to be certified as incapable of providing child care to older children during that time. This double standard robs schedule reporters of the benefit of having focused, uninterrupted time to be with a new child in the family, again because of those individuals' career choices to work in child care centers. While this is a provision aimed at program integrity, it is anti-family.

Preliminary Determinations

3400.0065BASIC SLIDING FEE WAITING LIST.

44.2 Subpart 1. Basic sliding fee program waiting lists. When a family inquires about or 44.3 applies for child care assistance and basic sliding fee funding is not immediately available, 44.4 a CCAP agency must perform a preliminary determination of the family's eligibility. A 44.5 CCAP agency must not request or require a family to submit verifications during the 44.6 preliminary determination of eligibility. If a CCAP agency determines that a family is or 44.7 will likely be eligible for child care assistance and funding is not immediately available, 44.8 the CCAP agency must place the family on a waiting list. A CCAP agency must determine 44.9 the highest priority group for which a family qualifies and must notify the family of this 44.10 determination. A CCAP agency must keep a written record identifying each family that the 44.11 CCAP agency places on the child care waiting list.

Comments

We are pleased to see that CCAP agencies must perform preliminary determinations of eligibility in order to place families on waiting lists *without* requiring potential participants to submit onerous verifications until such time as CCAP becomes available to said participant and these verifications must be done. There is little point in having low income families gather all of the necessary documentation when sadly (due to inadequate program funding) they could be months or even years away from actually receiving assistance.

Transition Year & Transition Year Extension Eligibility

48.18 A.A family must only use transition year child care assistance may only be used to support employment and, a job search related expenses, **and** an approved education or training program that meets the requirements in Minnesota Statutes, section 119B.10. A family is eligible for transition year child care if the family meets the conditions in items A to D are met subitems (1) to (4). 48.19 48.20 48.21 48.22

51.2 A.A family must only use transition year extension child care assistance to support employment, a job search, **and** an approved education and training program that meets the requirements in Minnesota Statutes, section 119B.10. 51.3 51.4

Comments

In both of the above instances the language reads that participants must meet all three criteria (employment, job search, and an education/training program) in order to be eligible for Transition Year CCAP. Is this correct, or should the highlighted portions above be changed from “and” to “or”?

Limit of Child Care Center Employees Receiving CCAP

57.19 A.When a CCAP agency authorizes child care in excess of the limit of children of child care center employees in Minnesota Statutes, section 119B.09, subdivision 9a, the CCAP agency must issue a 15-day adverse action notice and terminate the authorization of any child in excess of the limit. The CCAP agency must terminate the authorization of the child or children whose child care was most recently authorized until there are no authorizations in excess of the limit. 57.20 57.21 57.22 57.23 57.24 57 3400.0110 REVISOR BD/BM RD4560 02/25/22 58.1

B.If a parentally responsible individual becomes a child care center employee at the same child care center where the individual's child is authorized to receive child care and the child care center exceeds the limit of children of child care center employees in Minnesota Statutes, section 119B.09, subdivision 9a, the CCAP agency must issue a 15-day adverse action notice and terminate authorization of the individual's child. 58.2 58.3 58.4 58.5

Comments

Our interpretation of the above is that it is up to the CCAP agency, not the child care provider, to determine when the 25 children of employees limit has been reached and communicate directly with affected families about their eligibility to attend that provider using CCAP. If this interpretation is incorrect we suggest clarification within the language so there is no confusion.

Holiday Payments

61.1 (2)the day is a state or federal holidays are holiday as determined according to Minnesota Statutes, section 645.44, subdivision 5. or another cultural or religious holiday designated by the child care provider; 61.2 61.3

61.21 F.A parentally responsible individual may substitute other cultural or religious holidays for the ten state and federal holidays identified in Minnesota Statutes, section 645.44, subdivision 5, 61.22 61.23

Comments

We applaud the flexibility in the proposed rules to allow other cultural/religious holidays to be paid (in lieu of some state/federal holidays) at the request of a parentally responsible individual to the CCAP agency, or as requested for an entire provider’s program at the provider’s request to the CCAP agency.

MCCA CCAP Rule Revision Notes
July 8, 2022

This recognizes the importance of families having the freedom to observe cultural and religious traditions important to them without financial structures penalizing them for this.

Redetermination Processing

103.1 Subp. 2. Redetermination processing.

103.2 A. A CCAP agency must begin processing a participant's redetermination within

103.3 ten calendar days from the date that the CCAP agency receives a redetermination form.

Comments

Setting a ten day parameter for CCAP agencies to begin processing redetermination forms is a welcome added protection for families, one which will hopefully result in families receiving additional time to submit any documentation found to be missing without interruption of child care services.

From: [Lentini, Andrea \(DHS\)](#)
To: [Maria Snider](#)
Cc: [Vogl, Vanessa M \(DHS\)](#); [Possin, Laurie J \(DHS\)](#)
Subject: RE: Hearing Request for Child Care Assistance Program (CCAP) Rule Revision
Date: Wednesday, August 3, 2022 3:00:55 PM
Attachments: [image003.png](#)
[image004.png](#)
[image005.png](#)
[proposed rule changes feedback Maria Snider.docx](#)

Hi Maria,

Thank you for taking the time to comment on the Department of Human Services' Child Care Assistance Program rules. We've responded to your comments in the attached document.

Thank you,
Andrea

Andrea Lentini

Policy Analyst | Child Care Assistance Program
Pronouns: [She/Her](#)

Minnesota Department of Human Services

P.O. Box 64962
Saint Paul, MN 55164-0962
O: 651-431-4045
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From: Maria Snider <maria.rose.snider@gmail.com>
Sent: Wednesday, July 20, 2022 1:59 PM
To: Vogl, Vanessa M (DHS) <vanessa.vogl@state.mn.us>
Cc: Lentini, Andrea (DHS) <andrea.lentini@state.mn.us>
Subject: Re: Hearing Request for Child Care Assistance Program (CCAP) Rule Revision

Hello Vanessa and Andrea,

Thanks for the reply. I am attaching here my written feedback with concerns/questions about the rule changes. I appreciate you taking the time to review it. As a provider that accepts CCAP (about 90% of our families access CCAP) and a family advocate, I am a stakeholder in these policies. I am happy to discuss my thoughts further or answer questions. Please let me know if there is more room for provider engagement beyond a hearing.

Sincerely,

On Wed, Jul 20, 2022 at 8:18 AM Vogl, Vanessa M (DHS) <vanessa.vogl@state.mn.us> wrote:

Dear Maria,

I am confirming receipt of your request for a hearing. If the Department receives enough requests to hold a hearing, we will be sure to let you know.

As I mentioned during our phone call on Monday, even if we do not hold a hearing, we are accepting any feedback or comments you have on the rule until 4:30 p.m. today, which you can send to me via email. We do consider every comment we receive. We will let you know whether we decide to make any changes accordingly to the rules as proposed, or explain why we are not making changes.

If you have any further questions, please let me know.

Thank you!

Vanessa

From: Maria Snider <maria.rose.snider@gmail.com>

Sent: Monday, July 18, 2022 12:46 PM

To: Vogl, Vanessa M (DHS) <vanessa.vogl@state.mn.us>

Subject: Re: Hearing Request for Child Care Assistance Program (CCAP) Rule Revision

Hello Vanessa,

Thanks for taking a moment to chat with me today and clarify the requirements/next steps.

I would like to request a public hearing for proposed CCAP rule changes 3400. I object to the entire rule. My contact information is: maria.rose.snider@gmail.com.

Thank you,

On Sun, Jul 17, 2022 at 7:25 PM Vogl, Vanessa M (DHS) <vanessa.vogl@state.mn.us> wrote:

Dear Maria,

Thank you for your email and request for a hearing on the Child Care Assistance Program

Rules, parts 3400.0010 – 3400.0235. Under Minnesota Statutes, section 14.25, subdivision 1, and reflected in the Dual Notice of Intent to Adopt Rules on page 3 (attached here for your reference), a valid request must:

(1) be in writing,

(2) include the name and address (email address is fine) of the person requesting the public hearing; and

(3) include the portion or portions of the rule to which the person objects, or a statement that the person opposes the entire rule.

Your request does not fulfill the third requirement. If you would like your hearing request to count as valid, please resubmit and let us know what portion or portions of the rule to which you object or include a statement that you oppose the entire rule. This helps to give the Department a sense of what is most concerning to the people who are requesting a hearing. The deadline for submitting a valid request is July 20, 2022, at 4:30 p.m. If the Department receives enough requests to hold a hearing, the hearing will be held virtually on August 3. We will be sure to notify you via email whether a hearing will be held. The attached Dual Notice also provides further details about the hearing, including instructions for joining the hearing.

In your email you have also asked about the process for submitting feedback and accepting feedback/making changes to the proposed changes. Any feedback, comments, or questions you have about the rule changes can be submitted to me in writing via email. If you are addressing a specific part of the rule, please provide a reference to the rule part(s) or line number(s) on the attached draft. This is helpful to the Department so that we can best consider your feedback and provide a response or make any changes. The deadline for submitting feedback is July 20, 2022, at 4:30 p.m. If the Department does hold a hearing, that will provide another opportunity to give feedback.

If you have any further questions, please do not hesitate to contact me.

Thank you!

~Vanessa

Vanessa Vogl

Pronouns: she/her/hers

Rulemaking Attorney | Administrative Law Office

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mn.gov/dhs



-----Original Message-----

From: maria.rose.snider@everyactioncustom.com

<maria.rose.snider@everyactioncustom.com>

Sent: Friday, July 15, 2022 2:35 PM

To: Vogl, Vanessa M (DHS) <vanessa.vogl@state.mn.us>

Subject: Hearing Request for Child Care Assistance Program (CCAP) Rule Revision

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Dear Vanessa Vogl,

Please accept this letter as my written request for a hearing regarding the Department of

Human Services Proposed Permanent Rules relating to Child Care Assistance Program (Chapter 3400).

It is my understanding a hearing will be conducted on August 3rd at 9:30am. Please provide me with the details to attend the meeting as well as the process for submitting feedback and accepting feedback/making changes to the proposed changes.

Sincerely,

Maria Snider

maria.rose.snider@gmail.com

Caution: This e-mail and attached documents, if any, may contain information that is protected by state or federal law. E-mail containing private or protected information should not be sent over a public (nonsecure) Internet unless it is encrypted pursuant to DHS standards. This e-mail should be forwarded only on a strictly need-to-know basis. If you are not the intended recipient, please: (1) notify the sender immediately, (2) do not forward the message, (3) do not print the message and (4) erase the message from your system.

--

Maria Snider
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Feedback: Proposed CCAP Rule Changes

3400.0020 Subp 11a “Children in an at risk population”

Problematic language is used in this statute including placing “families with limited english proficiency” between experiencing a disaster and being subject to abuse. Research in child development actually shows that children who learn more than one language are in position for more optimal achievement in terms of brain development. The problem is not the family with “limited english proficiency”, the problem is a system that is not set up to support the most optimal conditions by lacking such supports as caseworkers who speak languages other than English or ensuring appropriate translation services.

Deficit language in policy sets families who are receiving services up to be viewed as inferior by CCAP agencies and has negative implications for people receiving services. Furthermore, the rule does not adequately address the systemic risk factors listed IE how will DHS meet the needs of families who are deemed in an “at risk” population such as: access to services in their home language, parents with medical conditions including mental illness, families facing disaster, families facing abuse/neglect, and families facing homelessness.

Response: The purpose of this definition is to allow higher payments to better meet needs of children who have risk factors, if the provider offers specialized services (Strong Beginnings programs in Hennepin County and teen parent programs in several counties are examples). CCAP is able to pay a special needs rate for a child care provider caring for a child in an at-risk population. Providing a definition to “child in an at-risk population” provides needed context to determine if a different rate is able to be paid. See Minn. R. 3400.0130, subp. 3b.

While proposed edits were made to add “child” and “population” with the intent to not refer to a child as “at-risk,” the Department appreciates your comments and is considering changing this language based on your comment. We will also be mindful of language in materials and other supporting documents that implement this rule in using your suggestions to describe at-risk populations.

3400.0020 Subp 20

Unclear if foster parents are defined as eligible caregivers?

Response: Minn. Stat. § 119B.011, subd. 2 currently has a limited definition of “applicant” that excludes many types of child custody or child placement situations, including foster parents. The caregivers of children in foster care are not able to access child care assistance under current statute. Last year, the Governor’s budget included a proposal to expand the definition of family under CCAP to include: foster care families, relative custodians, successor custodians, and guardians. That proposal may come forward again and is a DHS priority.

3400.0020 Subpart 38C

Employees of child care centers should benefit from the same 12 month eligibility as other families access CCAP. Schedule reporters have more burdens placed on them of time and resources. This policy overburdens already over-burdened childcare teachers and providers who are often making poverty wages.

Response: The policy that states care for a schedule reporter must be authorized and scheduled with a provider based on the applicant’s or participant’s verified activity schedule is

currently required by Minn. Stat. § 119B.095, subd. 1. Any changes would require a statute change.

3400.0020 Subpart 40Cd

“Unsafe care” is lacking a sufficient definition.

Response: Under Minn. Stat. § 119B.125, subd. 4, CCAP agencies are required to include the conditions under which a provider or care arrangement will be determined to be unsafe in the county or tribal child care fund plan, further defining the conditions within individual county and tribal plans. DHS CCAP policy staff review the local agency definitions and criteria to ensure that plans are reasonable and clear.

3400.002035 Subpart 2a

Lacking a timeline for what is considered an expedited application process for families facing homelessness. Furthermore, families facing homelessness should be able to access the expedited application process multiple times. Most families who are facing homelessness are considered transient, doubling up with friends or family, couch-surfing, etc. Housing situations for families living in poverty can change rapidly based on their own personal situations, resources, and systemic factors such as wait lists for affordable housing.

Response: Minn. Stat. § 119B.025, subd. 1(c)(1) - (2) include the expedited application processing timeframe of 5 days.

Minn. Stat. § 119B.025, subd. 1(c)(5) allows the commissioner to determine how frequently expedited application processing may be used for an applicant who is experiencing homelessness. Families eligible for child care assistance under Minn. Stat. § 119B.025, subd. 1(c) are able to receive care for a minimum of three months. If, after those three months, the family has not submitted all required verifications, the family must be placed into temporary ineligibility for a maximum of 90 days as stated in the proposed changes to Minn. R. 3400.0040, subp. 17. During this 90 day temporary ineligibility period, the family may submit required verifications to again become eligible for child care assistance. By limiting expedited application processing to every six months, this coincides with the timeframe of three months of eligibility and up to 90 days of temporary ineligibility.

3400.0040, subp. 3 (D)

Immigration status criteria should be the same for schools/Head Start programs and licensed child care. This unfairly limits family choice and is discriminatory against licensed and legal non-licensed child care providers.

Response: The changes identified in the rule are a federal requirement and a clarification of existing policy.

Federal Child Care and Development Fund, 45 C.F.R. § 98.20(c) states that only the citizenship and immigration status of the child is relevant, and no eligibility for services under § 98.50 is based on the citizenship or immigration status of the child’s parent. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) specifically provides that its provisions do not apply to Head Start and non-postsecondary educational programs and that it does not have any effect on the right of non-citizen children to participate in these programs. Consequently, the federal government has determined that when child care assistance funds

are used to pay for child care in settings subject to public educational standards, such as a Head Start or a pre-kindergarten or a school-age care program operated under public education standards, PRWORA does not require verification of the child's citizenship or immigration status because the child is participating in a non-postsecondary educational program rather than receiving federal public benefits.

Page 21

3400.0040 Subpt. 5 D p26

Medical conditions including mental illness is included in the "at risk" definition in 3400.0020 Subp 11a.

This rule does not allow for single family households to access Basic Sliding Fee CCAP.

Response:

The rule allows eligible households with a single parentally responsible individual to access Basic Sliding Fee if they meet program requirements. See page/line 25.21 which cites part 3400.0060, Basic Sliding Fee Program. No changes were made to this language. Also see Minn. Stat. § 119B.03, subd. 3, which outlines eligible participants for Basic Sliding Fee and does not exclude single family households.

Activity requirements are outlined in statute (see Minn. Stat. § 119B.05 and 119B.10). A statute change would be required to add medical conditions such as mental illness as an allowed activity at application and redetermination for families receiving Basic Sliding Fee child care.

CCAP agencies currently only accept medical conditions as eligible activities if it is approved by MFIP (job counselor); OR if a 2 parent household 1 parent is in an approved work-related activity and 1 has a medical condition that hinders their ability to care for their children.

Response: Activity requirements are outlined in statute (see Minn. Stat. § 119B.05 and 119B.10). A statute change would be required to add medical conditions such as mental illness as an allowed activity at application and redetermination for families receiving Basic Sliding Fee child care.

Single parent families are sometimes able to access care during a medical leave. If the family is a 12 month reporter, the child's authorized hours must not decrease during the 12 month eligibility period if there is a temporary break in the parent's employment, education and training, or employment plan activity. Temporary breaks include medical leaves. If the family is a schedule reporter, care is able to be authorized during a parent's medical leave of absence. See Minn. R. 3400.0110, subp. 3 (D) and (E).

CCAP should approve medical conditions including mental illness as eligible activities for single family households with the appropriate documentation from a medical provider.

Response: The proposed language changes to the unable to care policy under Minn. R. 3400.0040, subp. 5(B) and the medical leave policy under Minn. R. 3400.0110, subp. 10 align the professionals who can make the appropriate medical determination – the language does not

indicate what constitutes a parentally responsible individual inability to care or the need for the medical leave, and does not exclude mental illness.

3400.0040 Subp3a C.p37

There is no protection for providers to receive a proper 2 week notice when a family has reached their maximum absent days. The family can simply switch providers the next day. Policies should hold families accountable to their absent day balance including a two-week notice similar to if a family does not pay their copayment, they cannot be authorized for care until they pay the balance or document a payment plan.

Response: Paying for care provided after a family has reached their maximum absent days would require a statute change.

Families and providers are informed about the total number of absent days that have been paid for that child in that calendar year as of the date of the Service Authorization (see proposed Minn. R 3400.1085, subp. 9(E)). Additionally, the provider is provided with the number of absent days used on the Remittance Advice. While the Service Authorization and Remittance Advice provide information about absent day used, we recognize there are limitations as it is not real-time information.

3400.00110 Subpt 9

Payment during absences—is there flexibility with charging private pay families for pandemic related absences?

Response: Legislation passed in 2022 temporarily allowed child care assistance to pay for absent days and closures related to COVID-19, even if private pay families were not changed. That legislation was temporary and the policy no longer applies, having ended on June 26, 2022.

3400.0110 Chronic Conditions

DHS should honor absent day exemptions for a chronic medical condition back to the date that the medical provider states it begins (not the 30 day limit).

For example, perhaps a child has over 25 absent days in December from absences throughout the year. The family was unaware of the form prior to this and did not realize how quickly the absent days were adding up. Now they have a bill for hundreds of dollars. The family alerts the CCAP agency that their child has had a chronic medical condition since birth. The CCAP agency should honor the child's medical provider's medical opinion of the start date of said medical condition and extend the medical exemption form to cover all the days when the child had the medical condition, regardless of if it was within 30 days.

Response: Thank you for your comment. The Department issued a memo on April 12, 2022, which made changes to this policy. Effective January 1, 2022, the absent day exemption can begin no more than 90 days prior to the date the completed CCAP Medical Condition Documentation Form (DHS-4602) is received by the CCAP agency. The Department will make changes to the proposed rule language to reflect the change from 30 days to 90 days.

Overall concern, these rules fail to address what will happen if an agency does not follow the rules in this chapter. DHS is responsible to protect families and providers beyond the right to appeal.

Overall, if an agency makes a mistake or does not follow-through on a deadline (such as 15 day adverse action notification), then the agency should be responsible to correct their mistake. Families and providers should not have to do extra paperwork such as repeat applications when the agency is at fault for not properly authorizing their case.

Examples: 3400.00110 subpt 7 p59

- Billing errors on the agency's part should be corrected by the agency and not further burden families and providers to submit multiple billing forms.
- Applications for families need to be processed in a timely manner. Right now, if an agency fails to respond within 30 days the family is forced to start the application process over or appeal. Agencies should be held responsible to process applications.

Response: Goals of the proposed rule changes are the clarification of policies, which will assist in policies being applied consistently statewide, and the removal of unclear or conflicting language, which can result inconsistent appeal decisions.

In addition to appeal rights, an additional safeguard for families and providers under Minn. Stat. § 119B.11, subd. 2a prevents overpayments designated solely as agency error, and not the result of acts or omissions on the part of a provider or recipient, from being established or collected.

The Department provides technical assistance to CCAP agencies in correctly implementing policy. Additionally, families and child care providers are welcome to contact the Department directly if they have concerns regarding CCAP policy and/or the action taken by a CCAP agency.

Feedback: Proposed CCAP Rule Changes

3400.0020 Subp 11a “Children in an at risk population”

Problematic language is used in this statute including placing “families with limited english proficiency” between experiencing a disaster and being subject to abuse. Research in child development actually shows that children who learn more than one language are in position for more optimal achievement in terms of brain development. The problem is not the family with “limited english proficiency”, the problem is a system that is not set up to support the most optimal conditions by lacking such supports as caseworkers who speak languages other than English or ensuring appropriate translation services.

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3400.0020 Subpart 40C

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3400.0020 Subpart 2a

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3400.0040 D)

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Page 21

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3400.00110 Subpt 9

Payment during absences—is there flexibility with charging private pay families for pandemic related absences?

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Overall concern, these rules fail to address what will happen if an agency does not follow the rules in this chapter. DHS is responsible to protect families and providers beyond the right to appeal.

Overall, if an agency makes a mistake or does not follow-through on a deadline (such as 15 day adverse action notification), then the agency should be responsible to correct their mistake. Families and providers should not have to do extra paperwork such as repeat applications when the agency is at fault for not properly authorizing their case.

Examples: 3400.00110 subpt 7 p59

- Billing errors on the agency's part should be corrected by the agency and not further burden families and providers to submit multiple billing forms.
- Applications for families need to be processed in a timely manner. Right now, if an agency fails to respond within 30 days the family is forced to start the application process over or appeal. Agencies should be held responsible to process applications.

From: [Lentini, Andrea \(DHS\)](#)
To: [Margot Gould](#)
Cc: [Vogl, Vanessa M \(DHS\)](#); [Possin, Laurie J \(DHS\)](#)
Subject: RE: CCAP Draft Rule Changes -- KinderCare Comments
Date: Wednesday, August 3, 2022 3:12:24 PM
Attachments: [image013.png](#)
[image014.png](#)
[image015.png](#)
[KinderCare_RuleChange_responses.docx](#)

Hi Margot,

Thank you for taking the time to comment on the Department of Human Services' Child Care Assistance Program rules. We've responded to your comments in the attached document.

Thank you,
Andrea

Andrea Lentini

Policy Analyst | Child Care Assistance Program
Pronouns: [She/Her](#)

Minnesota Department of Human Services

P.O. Box 64962
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O: 651-431-4045
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From: Margot Gould <Margot.Gould@kindercare.com>
Sent: Wednesday, July 20, 2022 5:46 PM
To: Vogl, Vanessa M (DHS) <vanessa.vogl@state.mn.us>
Cc: Lentini, Andrea (DHS) <andrea.lentini@state.mn.us>
Subject: RE: CCAP Draft Rule Changes -- KinderCare Comments

Thank you, Vanessa.

Appreciate the confirmation that you received our comments. Looking forward to your review and feedback.

Thank you again for your consideration.

Best,
Margot

Margot Grant Gould
Manager, Government Relations
cell: (971) 201-5088
margot.gould@kindercare.com



From: Vogl, Vanessa M (DHS) <vanessa.vogl@state.mn.us>
Sent: Wednesday, July 20, 2022 2:22 PM
To: Margot Gould <Margot.Gould@kindercare.com>
Cc: Lentini, Andrea (DHS) <andrea.lentini@state.mn.us>
Subject: [EXTERNAL] RE: CCAP Draft Rule Changes -- KinderCare Comments

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Dear Margot,

Thank you for taking the time to comment on the Department of Human Services' Child Care Assistance Program rules. We consider every comment we receive. We will let you know whether we decide to make any changes accordingly to the rules as proposed, or explain why we are not making changes. In the meantime, if you have any questions, please let me know!

Thank you,
Vanessa

Vanessa Vogl

Pronouns: she/her/hers

Rulemaking Attorney | Administrative Law Office

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From: Margot Gould <Margot.Gould@kindercare.com>
Sent: Wednesday, July 20, 2022 2:47 PM
To: Vogl, Vanessa M (DHS) <vanessa.vogl@state.mn.us>
Subject: CCAP Draft Rule Changes -- KinderCare Comments

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Good afternoon, Vanessa.

Thank you for the opportunity to comment on the Child Care Assistance Program (CCAP) draft rule changes. Please find attached KinderCare Learning Companies' comments in support of and recommendations to specific rule changes in effort to bolster the health, safety and educational excellence for young children and families served through CCAP.

Please let me know if you have any questions or if I can provide additional information.

In partnership,
Margot

Margot Grant Gould
Manager, Government Relations
cell: (971) 201-5088
margot.gould@kindercare.com



KinderCare Comments – July 20, 2022

1) 3400.0010: Subp. 20a. Extended Eligibility – Support

KLC supports the new definition of extended eligibility, which would allow families to receive child care assistance for up to three month after their eligibly period or until the family's redetermination is authorized. Too often, redeterminations extend beyond the allocated 12-month authorization period. Allowing this extended grace period will provide continuity of care for the child and family, stability for the provider, and needed flexibility for CAPP agencies.

Response: Extended eligibility allows a family to be eligible for up to three months or until the family's redetermination, whichever occurs first, after a parentally responsible individual experiences a permanent end to an activity. While this policy provides continuity of care, it does not extended the family's 12 month eligibility period.

Under Minn. Stat. § 119B.025, subd. 3, a family meets eligibility redetermination requirements if a complete redetermination form and all required verifications are received within 30 days after the date the form was due. Proposed rule language in Minn. R. 3400.0180, subp. 2 states that a CCAP agency must begin processing a redetermination within ten calendar days from the date the CCAP agency receives the redetermination form. The intent of this proposed language is to help prevent families from experiencing unneeded delays in case action, particularly when families only have a certain amount of time to submit all needed verifications in order for a redetermination to be considered.

2) 3400.0040: Subp. 4a. Verification requirements during 12-month eligibility period. – Amendments Requested

The new verification requirement section clearly details the steps needed to verify 12-month eligibility. However, only in cases when a 12-month reporter has a reduction in hours does the CCAP agency notify the provider. KLC respectfully requests that providers be notified in other verification circumstances. Specifically, we request the following amendments:

24.1: A CCAP agency must allow a 12-month reporter or schedule reporter 15 calendar days to return a verification to the CCAP agency. If a verification demonstrates that the 12-month reporter or schedule reporter is no longer eligible for child care assistance or if the 12-month reporter or schedule reporter does not return a verification to the CCAP agency after 15 days, the CCAP agency must terminate the 12-month reporter's or schedule reporter's eligibility with a 15-day adverse action notice and notify the child care provider.

24.14: A CCAP agency must allow a 12-month reporter 15 calendar days to return a verification to the CCAP agency. If the CCAP agency does not receive verification of the permanent end of an authorized activity and the 12-month reporter has no other authorized activity, a CCAP agency must place the 12-month reporter in extended eligibility according to part 3400.0175 on the date that the CCAP agency becomes aware of the permanent end of the authorized activity. If the CCAP agency does not receive verification from a 12-month reporter of a parentally responsible individual's new employment at a licensed child care center within 15 days, the CCAP agency must terminate the 12-month reporter's child care authorization with a 15-day adverse action notice and suspend the 12-month reporter's eligibility until the CCAP agency receives

verification that allows the CCAP agency to authorize child care and notify the child care provider. If a CCAP agency does not receive a verification of an authorized activity change, the CCAP agency must not increase a 12-month reporter's authorized child care hours until the CCAP agency receives verification

Response: If there is a negative action regarding a family's eligibility or authorization, the child care provider receives 15 day notice. However, due to privacy concerns, there is limited information that a CCAP agency can share with a child care provider about a family's CCAP case. Notices to child care providers must not contain any private data on a family (see Minn. Stat. § 119B.13, subd. 5). Under proposed changes to Minn. R. 3400.0035, subp. 3, a CCAP agency must obtain a signed form from a family to permit the CCAP agency to give the family's child care provider additional information that is not required by part 3400.0185, subparts 9, 11, and 13 and Minn. Stat. § 119B.13, subd. 5.

3) 3400.0040: Subp. 10. Child care assistance during education or training. – Support
KLC supports the proposed rule changes for child care assistance during education and training. Specifically, we applaud the recognition of online course work and the deference to education institutions to classify pupils as part- or full-time students to align with their educational programming.

Response: Thank you for your comments.

4) 3400.0040: Subp. 13. Satisfactory progress in education or training program – Amendments Requested

Similar to recommendation 2) found above, KLC recommends that any termination of the student's education plan also be notified to child care provider. Specifically, KLC recommends the following changes to the rules:

33.26: At redetermination, if the county determines a CCAP agency receives documentation from an educational institution demonstrating that a student is not making satisfactory progress towards toward completion of an education or training program, the county shall CCAP agency must notify the student and discontinue child care assistance according to part 3400.0185 terminate approval of the student's education plan with a 15-day adverse action notice and notify the child care provider.

Response: If there is a negative action regarding a family's eligibility or authorization, the child care provider receives 15 day notice. However, due to privacy concerns, there is limited information that a CCAP agency can share with a child care provider about a family's CCAP case. Notices to child care providers must not contain any private data on a family (see Minn. Stat. § 119B.13, subd. 5). Under proposed changes to Minn. R. 3400.0035, subp. 3, a CCAP agency must obtain a signed form from a family to permit the CCAP agency to give the family's child care provider additional information that is not required by part 3400.0185, subparts 9, 11, and 13 and Minn. Stat. § 119B.13, subd. 5.

5) 3400.0040: Subp. 17a. Authorization after temporary ineligibility – Amendments Requested

Eligibility lapses can lead to disenrollment of families, which can have negative consequences on child and family stability. KLC promotes policies that support continuity of care, recognizing that high-quality child care supports child development and family wellbeing. As such, we

respectfully submit the following amendments to offer maximum care and stability for families when families are deemed temporarily ineligible:

37.12: A. If a family in temporary ineligibility becomes eligible for child care assistance, the family's eligibility begins on the date that the family meets all eligibility requirements. For a family that is eligible for child care assistance under Minnesota Statutes, section 37.16 119B.025, subdivision 1, paragraph (c), the family's eligibility ~~begins retroactively from the date that temporary ineligibility began, or~~ on the date that the family began participating in an authorized activity, ~~whichever is later~~.

Response: Proposed language pertains to families eligible under Minn. Stat. § 119B.025, subd. 1(c), who are families experiencing homelessness and eligible for expedited child care. When an applicant declares they are homeless, proof of eligibility must be submitted within three months or the family is placed into temporarily ineligible status. The language as originally drafted is more beneficial to the family. For example:

- If the family failed to provide all required verifications at the end of the three month period, but submitted all required verifications during the temporarily ineligible period, eligibility is able to go back to the temporarily ineligible begin date and care is able to be authorized.
- If the family was not cooperating with child support at the end of the three month period, but began cooperating during the temporarily ineligible period, eligibility is able to go back to the temporarily ineligible begin date and care is able to be authorized.

6) 3400.0110: Subp. 3d. Child care payment – Amendment Requested

Family's schedules often require different hours of care, meaning they may rely on multiple providers. KLC recommends that the CCAP agency communicate to the child care provider if they are the secondary provider authorized to provide care. Such transparency will provide better knowledge of the family's needs and create greater stability for the provider.

58.12: C. Except as provided under subpart 8, a CCAP agency must not pay for the care of a child by more than one child care provider during the same period of time. If a child uses two child care providers under Minnesota Statutes, section 119B.097, the payment limits in Minnesota Statutes, section 119B.13, subdivision 1, apply. A CCAP agency must not pay more than one primary child care provider for care of a child on the same day and must not pay more than one secondary child care provider on the same day.

The CCAP agency will communicate to the child care provider that they are the family's secondary authorized provider.

Response: If a provider is a child's secondary provider, the Service Authorization that the provider receives currently displays \$0.00 in the weekly rate column. The Department appreciates your comment and will track this item as a potential notice change to more directly communicate when a provider is a secondary provider.

7) 3400.0040: Subp. 18., Section B: Suspension. – Support

Section B pertaining 12-month eligibility regardless of temporary breaks or a changes employment, education, training, or employment plan activities will provide greater continuity of care. KLC applauds this addition.

Response: Thank you for your comments.

8) 3400.0110: Subp. 4a. Reimbursement from other sources for child care costs. – Support

KLC applauds the new section that clarifies that CCAP agencies cannot reduce benefits when other funding sources cover child care expenses, such as copayments, differences between the applicable maximum rate and the child care provider's charge, or time periods that are not authorized under the child care fund. Such approach reduces access barriers for families and provides payment stability for providers.

Response: Thank you for your comments.

9) 3400.0130: Subp. 1b. Child care provider charges and registration fees in excess of maximum child care payment – Support

This new section clarifies child care financial responsibilities between families, CCAP agencies, and other parties. The transparency offered in this section will facilitate easier communication between providers, families, and CCAP agencies.

Response: Thank you for your comments.

10) 3400.0130: Subp. 3b. Rate determination; child care provider who serves children in at-risk population. – Amendments Requested

KLC applauds the clarity provided in this section. KLC is proud to have an Inclusion Services team to equip providers with the supports needed to care for children of all abilities. We strive to offer individual accommodation to meet the developmental needs of the child in an inclusive learning environment, which we know supports a child's optimal development. We respectfully request that inclusive learning environments be highlighted in the following section:

81.14: (1) a description of the specialized training, services, or environmental adaptations that the child care provider will furnish receive or provide to meet the individual needs of the child or the children in the at-risk population and how these efforts will create an inclusive learning environment;

Response:

At-risk rates are county and tribal optional policies. When a county or tribe establishes their biennial child care fund plan, they identify their criteria which must take into account the definition listed above. If a county or tribe chooses to utilize the option to pay at-risk rates, the county or tribe will take into account how the provider describes their service model. While the Department agrees that inclusive environments are to be applauded, a provider would describe that in their request to be considered for being paid using at-risk population criteria. Adding language in the rule is not needed, and could add to confusion if counties or tribes need to add and assess additional criteria.

11) 3400.0150: Subp. 2. Plan content. – Amendments Requested

County and Tribal Child Care Fund Plans are critical to planning and implementing CCAP. We request that parent and provider input be required in the development of these plans through the following language changes:

89.9: Subp. 2. Plan content. The A child care fund plan must contain a complete description of the county's or Tribe's child care assistance program for applicants and participants eligible for assistance under Minnesota Statutes, chapter 119B. The child

care fund plan must include the information required by Minnesota Statutes, section sections 119B.08, subdivision 3, and 119B.125, subdivision 4; the information required by this chapter, including the conditions that the county or Tribe recognizes as presenting an imminent risk of harm; ~~and~~ all written county and Tribal forms, policies, and procedures used to administer the child care funds, and how the plan incorporated CCAP participants and provider input.

Response: Minn. Stat. § 119B.08, subd. 3 includes what must be included in the plan, which includes requiring CCAP agencies to work other public and private community resources that provide services to families to maximize community resources for families with young children. In their plan, counties and tribes must include the methods they use to share information, responsibility, and accountability among these community resources. Counties and tribes must also describe the procedures and methods to make copies of the draft plan available to the public. While the Department agrees that the input of families and child care providers receiving CCAP is important in the development of the plan, this addition would require a statute change. The Department will explore ways to encourage CCAP agencies to reach out to families and providers as a recommended practice when developing their plan.

12) 3400.0170: Subp. 1a. Income limits. – Policy Change

Minnesota has a robust child care program serving working families across the state. KLC is proud that 44% of the students we serve participate in state subsidy programs. However, far too many families struggle to find affordable, high-quality care, especially families just over the income eligibility limits. While changing eligibility limits is beyond the scope of this rule making process, KLC wishes to go on record supporting higher eligibility entry and higher graduated redetermination limits to ensure more families can access quality care.

Response: Thank you for your comments.

13) 3400.0185: Subp. 13. Notice of termination of child care assistance to child care provider -- Support

KLC applauds the new section to communicate changes in family eligibility to the provider. Having open communication between the family, provider, and CCAP agency will ultimately ensure families receives the care they are entitled to and that providers can readily comply with agency rules.

Response: Thank you for your comments.



5005 MEADOWS RD, SUITE 200
LAKE OSWEGO, OR 97035

July 20, 2022

Submitted via email to: vanessa.vogl@state.mn.us

To: Vanessa Vogl, Minnesota Department of Human Services
Re: Proposed Amendments to Rules Governing the Child Care Assistance Program, Minnesota Rules, Parts 3400.0010 through 3400.0235
Docket No.: 82-9029-35572

Thank you for the opportunity to provide comment on the proposed rules governing the Child Care Assistance Program (CCAP), Minnesota Rules, Parts 3400.0010 through 3400.0235.

KinderCare Learning Companies (KLC) proudly serves over 6,500 students at our 64 high-quality early learning centers across Minnesota. Our world class educators build confidence in students by providing high-quality educational experiences that meet the unique developmental needs of every child in our care. KLC serves all children regardless of background and financial circumstance. Approximately 44% of the children we serve in Minnesota are from hardworking families who receive assistance under the Child Care Development Block Grant and CCAP funding.

KLC is your committed partner to ensure parents can return to work while knowing their children are in safe, high-quality care. To promote these goals, KLC supports and recommends the below changes to the CCAP draft rules:

1) 3400.0010: Subp. 20a. Extended Eligibility – Support

KLC supports the new definition of extended eligibility, which would allow families to receive child care assistance for up to three month after their eligibly period or until the family's redetermination is authorized. Too often, redeterminations extend beyond the allocated 12-month authorization period. Allowing this extended grace period will provide continuity of care for the child and family, stability for the provider, and needed flexibility for CAPP agencies.

2) 3400.0040: Subp. 4a. Verification requirements during 12-month eligibility period. – Amendments Requested

The new verification requirement section clearly details the steps needed to verify 12-month eligibility. However, only in cases when a 12-month reporter has a reduction in hours does the CCAP agency notify the provider. KLC respectfully requests that providers be notified in other verification circumstances. Specifically, we request the following amendments:

24.1: A CCAP agency must allow a 12-month reporter or schedule reporter 15 calendar days to return a verification to the CCAP agency. If a verification demonstrates that the 12-month reporter or schedule reporter is no longer eligible for child care assistance or if the 12-month reporter or schedule reporter does not return a verification to the CCAP agency after 15 days,



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LAKE OSWEGO, OR 97035

the CCAP agency must terminate the 12-month reporter's or schedule reporter's eligibility with a 15-day adverse action notice [and notify the child care provider](#).

24.14: A CCAP agency must allow a 12-month reporter 15 calendar days to return a verification to the CCAP agency. If the CCAP agency does not receive verification of the permanent end of an authorized activity and the 12-month reporter has no other authorized activity, a CCAP agency must place the 12-month reporter in extended eligibility according to part 3400.0175 on the date that the CCAP agency becomes aware of the permanent end of the authorized activity. If the CCAP agency does not receive verification from a 12-month reporter of a parentally responsible individual's new employment at a licensed child care center within 15 days, the CCAP agency must terminate the 12-month reporter's child care authorization with a 15-day adverse action notice and suspend the 12-month reporter's eligibility until the CCAP agency receives verification that allows the CCAP agency to authorize child care [and notify the child care provider](#). If a CCAP agency does not receive a verification of an authorized activity change, the CCAP agency must not increase a 12-month reporter's authorized child care hours until the CCAP agency receives verification

3) 3400.0040: Subp. 10. Child care assistance during education or training. – Support
KLC supports the proposed rule changes for child care assistance during education and training. Specifically, we applaud the recognition of online course work and the deference to education institutions to classify pupils as part- or full-time students to align with their educational programming.

4) 3400.0040: Subp. 13. Satisfactory progress in education or training program – Amendments Requested

Similar to recommendation 2) found above, KLC recommends that any termination of the student's education plan also be notified to child care provider. Specifically, KLC recommends the following changes to the rules:

33.26: At redetermination, if the county determines a CCAP agency receives documentation from an educational institution demonstrating that a student is not making satisfactory progress towards toward completion of an education or training program, the county shall CCAP agency must notify the student and discontinue child care assistance according to part 3400.0185 terminate approval of the student's education plan with a 15-day adverse action notice [and notify the child care provider](#).

5) 3400.0040: Subp. 17a. Authorization after temporary ineligibility – Amendments Requested

Eligibility lapses can lead to disenrollment of families, which can have negative consequences on child and family stability. KLC promotes policies that support continuity of care, recognizing that high-quality child care supports child development and family wellbeing. As such, we respectfully submit the following amendments to offer maximum care and stability for families when families are deemed temporarily ineligible:



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37.12: A. If a family in temporary ineligibility becomes eligible for child care assistance, the family's eligibility begins on the date that the family meets all eligibility requirements. For a family that is eligible for child care assistance under Minnesota Statutes, section 37.16 119B.025, subdivision 1, paragraph (c), the family's eligibility ~~begins retroactively from the date that temporary ineligibility began, or~~ on the date that the family began participating in an authorized activity, ~~whichever is later.~~

6) 3400.0110: Subp. 3d. Child care payment – Amendment Requested

Family's schedules often require different hours of care, meaning they may rely on multiple providers. KLC recommends that the CCAP agency communicate to the child care provider if they are the secondary provider authorized to provide care. Such transparency will provide better knowledge of the family's needs and create greater stability for the provider.

58.12: C. Except as provided under subpart 8, a CCAP agency must not pay for the care of a child by more than one child care provider during the same period of time. If a child uses two child care providers under Minnesota Statutes, section 119B.097, the payment limits in Minnesota Statutes, section 119B.13, subdivision 1, apply. A CCAP agency must not pay more than one primary child care provider for care of a child on the same day and must not pay more than one secondary child care provider on the same day. The CCAP agency will communicate to the child care provider that they are the family's secondary authorized provider.

7) 3400.0040: Subp. 18., Section B: Suspension. – Support

Section B pertaining 12-month eligibility regardless of temporary breaks or a changes employment, education, training, or employment plan activities will provide greater continuity of care. KLC applauds this addition.

8) 3400.0110: Subp. 4a. Reimbursement from other sources for child care costs. – Support

KLC applauds the new section that clarifies that CCAP agencies cannot reduce benefits when other funding sources cover child care expenses, such as copayments, differences between the applicable maximum rate and the child care provider's charge, or time periods that are not authorized under the child care fund. Such approach reduces access barriers for families and provides payment stability for providers.

9) 3400.0130: Subp. 1b. Child care provider charges and registration fees in excess of maximum child care payment – Support

This new section clarifies child care financial responsibilities between families, CCAP agencies, and other parties. The transparency offered in this section will facilitate easier communication between providers, families, and CCAP agencies.



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LAKE OSWEGO, OR 97035

10) 3400.0130: Subp. 3b. Rate determination; child care provider who serves children in at-risk population. – Amendments Requested

KLC applauds the clarity provided in this section. KLC is proud to have an Inclusion Services team to equip providers with the supports needed to care for children of all abilities. We strive to offer individual accommodation to meet the developmental needs of the child in an inclusive learning environment, which we know supports a child's optimal development. We respectfully request that inclusive learning environments be highlighted in the following section:

81.14: (1) a description of the specialized training, services, or environmental adaptations that the child care provider will furnish receive or provide to meet the individual needs of the child or the children in the at-risk population and how these efforts will create an inclusive learning environment;

11) 3400.0150: Subp. 2. Plan content. – Amendments Requested

County and Tribal Child Care Fund Plans are critical to planning and implementing CCAP. We request that parent and provider input be required in the development of these plans through the following language changes:

89.9: Subp. 2. Plan content. The A child care fund plan must contain a complete description of the county's or Tribe's child care assistance program for applicants and participants eligible for assistance under Minnesota Statutes, chapter 119B. The child care fund plan must include the information required by Minnesota Statutes, section sections 119B.08, subdivision 3, and 119B.125, subdivision 4; the information required by this chapter, including the conditions that the county or Tribe recognizes as presenting an imminent risk of harm; and all written county and Tribal forms, policies, and procedures used to administer the child care funds, and how the plan incorporated CCAP participants and provider input.

12) 3400.0170: Subp. 1a. Income limits. – Policy Change

Minnesota has a robust child care program serving working families across the state. KLC is proud that 44% of the students we serve participate in state subsidy programs. However, far too many families struggle to find affordable, high-quality care, especially families just over the income eligibility limits. While changing eligibility limits is beyond the scope of this rule making process, KLC wishes to go on record supporting higher eligibility entry and higher graduated redetermination limits to ensure more families can access quality care.

13) 3400.0185: Subp. 13. Notice of termination of child care assistance to child care provider -- Support

KLC applauds the new section to communicate changes in family eligibility to the provider. Having open communication between the family, provider, and CCAP agency will ultimately



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LAKE OSWEGO, OR 97035

ensure families receives the care they are entitled to and that providers can readily comply with agency rules.

Thank you for updating the governing rules for CCAP and for your consideration of additional recommendations to bolster health, safety, and educational excellence for young children in Minnesota. Should you have any questions, please do not hesitate to contact me at: margot.gould@kindercare.com.

Sincerely,

A handwritten signature in cursive script that reads 'Margot Grant Gould'.

Margot Grant Gould
Manager, Government Relations
KinderCare Learning Companies



Children and Family Services, Child Care Assistance Program

Proposed Amendment to Rules Governing the Child Care Assistance Program, *Minnesota Rules*, Parts 3400.0010 through 3400.0235; Revisor's ID 4560

OAH Docket number 82-9029-35572

EXHIBIT J-2: REQUESTS FOR HEARING

From: [Mithula Perera](#)
To: [Vogl, Vanessa M \(DHS\)](#)
Subject: Re: Minnesota Rules, parts 3400.0010 – 3400.0235, without a public hearing following the
Date: Wednesday, June 22, 2022 12:18:00 PM
Attachments: [image003.png](#)
[image004.png](#)
[image005.png](#)

Dear Vanessa

Thanks for your reply.

This is Miniapple Intl. Montessori School Inc

We oppose the following provision of the MN rule 3400.0120

item A - "Notice for charges for days child is absent or holidays"

Item C is not clear to us.

Item E- " notice of county on absence days and end of care "

We would want a public hearing as these additional notifications put an undue additional work load on our staff than what we do for our non CCAP families.

Thanks

Mithula Perera

CFO

Miniapple Intl. Montessori School Inc

On Tue, Jun 21, 2022 at 3:18 PM Vogl, Vanessa M (DHS) <vanessa.vogl@state.mn.us> wrote:

Dear Mithula,

Thank you for your email and request for a hearing on the Child Care Assistance Program Rules, parts 3400.0010 – 3400.0235. In order for your request for a hearing to be valid, under Minnesota Statutes, section 14.25, subdivision 1, and reflected in the Dual Notice of Intent to Adopt Rules on page 3 (attached here for your reference), a valid request must:

- (1) be in writing,
- (2) include the name and address (email address is fine) of the person requesting the public hearing; and
- (3) include the portion or portions of the rule to which the person objects, or a statement that the person opposes the entire rule.**

Your request does not fulfill the third requirement. If you would like your hearing request to count as valid, please resubmit and let us know what portion or portions of the rule to which you object or include a statement that you oppose the entire rule. This helps to give the Department a sense of what is most concerning to the people who are requesting a hearing.

The deadline for submitting a valid request is July 20, 2022, at 4:30 p.m. If the Department receives 25 or more requests for a hearing by the deadline, a hearing will be held on Wednesday, August 3, 2022, starting at 9:30 a.m. The hearing will be held virtually via Webex. Here is the information to join:

For video and audio connection to the virtual hearing, join through an internet connection, such as with a computer or tablet:

Enter <https://minnesota.webex.com>

Event number (access code): 2490 165 8505

Event password: 9xBdDyTjN38

For audio connection only, join the hearing by phone:

Call: 1-415-655-0003 (US Toll)

Access code: 2490 165 8505

If we have a hearing I will be sure to let you know. In the meantime, if you have any questions, please do not hesitate to contact me.

Thank you!

~Vanessa

Vanessa Vogl

Pronouns: she/her/hers

Rulemaking Attorney | Administrative Law Office

Minnesota Department of Human Services

P.O. Box 64254

St. Paul, MN, 55164-0254

O: 651-431-3168

F: 651-431-7714

mn.gov/dhs



From: Mithula Perera <mithula.miniapple@gmail.com>

Sent: Tuesday, June 14, 2022 10:58 AM

To: Vogl, Vanessa M (DHS) <vanessa.vogl@state.mn.us>

Subject: Minnesota Rules, parts 3400.0010 – 3400.0235, without a public hearing following the

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Dear Vanessa

I am writing to inform you that Miniapple Intl. Montessori would like to have a public hearing on this "rules 3400.0010-3400.0235. please inform me as to the date and time of the public hearing.

Thanks

Mithula Perera

CFO

Miniapple Intl. Montessori School Inc.

Caution: This e-mail and attached documents, if any, may contain information that is protected by state or federal law. E-mail containing private or protected information should not be sent over a public (nonsecure) Internet unless it is encrypted pursuant to DHS standards. This e-mail should be forwarded only on a strictly need-to-know basis. If you are not the intended recipient, please: (1) notify the sender immediately, (2) do not forward the message, (3) do not print the message and (4) erase the message from your system.

From: [Maria Snider](#)
To: [Vogl, Vanessa M \(DHS\)](#)
Subject: Re: Hearing Request for Child Care Assistance Program (CCAP) Rule Revision
Date: Monday, July 18, 2022 12:46:00 PM
Attachments: [image002.png](#)
[image003.png](#)
[image004.png](#)

Hello Vanessa,

Thanks for taking a moment to chat with me today and clarify the requirements/next steps.

I would like to request a public hearing for proposed CCAP rule changes 3400. I object to the entire rule. My contact information is: maria.rose.snider@gmail.com.

Thank you,

On Sun, Jul 17, 2022 at 7:25 PM Vogl, Vanessa M (DHS) <vanessa.vogl@state.mn.us> wrote:

Dear Maria,

Thank you for your email and request for a hearing on the Child Care Assistance Program Rules, parts 3400.0010 – 3400.0235. Under Minnesota Statutes, section 14.25, subdivision 1, and reflected in the Dual Notice of Intent to Adopt Rules on page 3 (attached here for your reference), a valid request must:

- (1) be in writing,
- (2) include the name and address (email address is fine) of the person requesting the public hearing; and
- (3) include the portion or portions of the rule to which the person objects, or a statement that the person opposes the entire rule.**

Your request does not fulfill the third requirement. If you would like your hearing request to count as valid, please resubmit and let us know what portion or portions of the rule to which you object or include a statement that you oppose the entire rule. This helps to give the Department a sense of what is most concerning to the people who are requesting a hearing. The deadline for submitting a valid request is July 20, 2022, at 4:30 p.m. If the Department receives enough requests to hold a hearing, the hearing will be held virtually on August 3. We will be sure to notify you via email whether a hearing will be held. The attached Dual Notice also provides further details about the hearing, including instructions for joining the

hearing.

In your email you have also asked about the process for submitting feedback and accepting feedback/making changes to the proposed changes. Any feedback, comments, or questions you have about the rule changes can be submitted to me in writing via email. If you are addressing a specific part of the rule, please provide a reference to the rule part(s) or line number(s) on the attached draft. This is helpful to the Department so that we can best consider your feedback and provide a response or make any changes. The deadline for submitting feedback is July 20, 2022, at 4:30 p.m. If the Department does hold a hearing, that will provide another opportunity to give feedback.

If you have any further questions, please do not hesitate to contact me.

Thank you!

~Vanessa

Vanessa Vogl

[Pronouns:](#) she/her/hers

Rulemaking Attorney | Administrative Law Office

Minnesota Department of Human Services

P.O. Box 64254

St. Paul, MN, 55164-0254

O: 651-431-3168

F: 651-431-7714

mn.gov/dhs





-----Original Message-----

From: maria.rose.snider@everyactioncustom.com

<maria.rose.snider@everyactioncustom.com>

Sent: Friday, July 15, 2022 2:35 PM

To: Vogl, Vanessa M (DHS) <vanessa.vogl@state.mn.us>

Subject: Hearing Request for Child Care Assistance Program (CCAP) Rule Revision

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Dear Vanessa Vogl,

Please accept this letter as my written request for a hearing regarding the Department of Human Services Proposed Permanent Rules relating to Child Care Assistance Program (Chapter 3400).

It is my understanding a hearing will be conducted on August 3rd at 9:30am. Please provide me with the details to attend the meeting as well as the process for submitting feedback and accepting feedback/making changes to the proposed changes.

Sincerely,

Maria Snider

maria.rose.snider@gmail.com

Caution: This e-mail and attached documents, if any, may contain information that is protected by state or federal law. E-mail containing private or protected information should not be sent over a public (nonsecure) Internet unless it is encrypted pursuant to DHS standards. This e-mail should be forwarded only on a strictly need-to-know basis. If you are not the intended recipient, please: (1) notify the sender immediately, (2) do not forward the message, (3) do not print the message and (4) erase the message from your system.

--

Maria Snider
Rainbow Child Development Center
605 Como Avenue
St. Paul, MN 55103
P: 651-646-5272
F: 651-646-0459

From: rebeccaskidz@everyactioncustom.com on behalf of [Rebecca Nathan Vogl, Vanessa M \(DHS\)](#)
To: [Vogl, Vanessa M \(DHS\)](#)
Subject: Hearing Request for Child Care Assistance Program (CCAP) Rule Revision
Date: Wednesday, July 20, 2022 7:43:20 AM

This message may be from an external email source.
Do not select links or open attachments unless verified. Report all suspicious emails to Minnesota IT Services Security Operations Center.

Dear Vanessa Vogl,

Please accept this letter as my written request for a hearing regarding the Department of Human Services Proposed Permanent Rules relating to Child Care Assistance Program (Chapter 3400).

It is my understanding a hearing will be conducted on August 3rd at 9:30am. Please provide me with the details to attend the meeting as well as the process for submitting feedback and accepting feedback/making changes to the proposed changes.

I would like to request a public hearing for proposed CCAP rule changes 3400. I object to the entire rule. My contact information is: rebeccaskidz@gmail.com.

Sincerely,

Rebecca Nathan

Sincerely,
Rebecca Nathan
rebeccaskidz@gmail.com

From: [Jennifer Davis](#)
To: [Vogl, Vanessa M \(DHS\)](#)
Cc: [Lentini, Andrea \(DHS\)](#)
Subject: Re: Hearing Request for Child Care Assistance Program (CCAP) Rule Revision
Date: Wednesday, July 20, 2022 3:50:32 PM
Attachments: [image003.png](#)
[image004.png](#)
[image005.png](#)

I would like to request a public hearing for proposed CCAP rule changes 3400.

I object to the entire rule. My contact information is:
davi215717@gmail.com

On Sun, Jul 17, 2022 at 7:21 PM Vogl, Vanessa M (DHS) <vanessa.vogl@state.mn.us> wrote:

Dear Jennifer,

Thank you for your email and request for a hearing on the Child Care Assistance Program Rules, parts 3400.0010 – 3400.0235. Under Minnesota Statutes, section 14.25, subdivision 1, and reflected in the Dual Notice of Intent to Adopt Rules on page 3 (attached here for your reference), a valid request must:

(1) be in writing,

(2) include the name and address (email address is fine) of the person requesting the public hearing; and

(3) include the portion or portions of the rule to which the person objects, or a statement that the person opposes the entire rule.

Your request does not fulfill the third requirement. If you would like your hearing request to count as valid, please resubmit and let us know what portion or portions of the rule to which you object or include a statement that you oppose the entire rule. This helps to give the Department a sense of what is most concerning to the people who are requesting a hearing. The deadline for submitting a valid request is July 20, 2022, at 4:30 p.m. If the Department receives enough requests to hold a hearing, the hearing will be held virtually on August 3. We will be sure to notify you via email whether a hearing will be held. The attached Dual Notice also provides further details about the hearing, including instructions for joining the

hearing.

In your email you have also asked about the process for submitting feedback and accepting feedback/making changes to the proposed changes. Any feedback, comments, or questions you have about the rule changes can be submitted to me in writing via email. If you are addressing a specific part of the rule, please provide a reference to the rule part(s) or line number(s) on the attached draft. This is helpful to the Department so that we can best consider your feedback and provide a response or make any changes. The deadline for submitting feedback is July 20, 2022, at 4:30 p.m. If the Department does hold a hearing, that will provide another opportunity to give feedback.

If you have any further questions, please do not hesitate to contact me.

Thank you!

~Vanessa

Vanessa Vogl

[Pronouns:](#) she/her/hers

Rulemaking Attorney | Administrative Law Office

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-----Original Message-----

From: davi215717@everyactioncustom.com <davi215717@everyactioncustom.com>

Sent: Saturday, July 16, 2022 4:46 PM

To: Vogl, Vanessa M (DHS) <vanessa.vogl@state.mn.us>

Subject: Hearing Request for Child Care Assistance Program (CCAP) Rule Revision

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Dear Vanessa Vogl,

Please accept this letter as my written request for a hearing regarding the Department of Human Services Proposed Permanent Rules relating to Child Care Assistance Program (Chapter 3400).

It is my understanding a hearing will be conducted on August 3rd at 9:30am. Please provide me with the details to attend the meeting as well as the process for submitting feedback and accepting feedback/making changes to the proposed changes.

Sincerely,

Jennifer Davis

davi215717@gmail.com

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Take great care, —JND



Children and Family Services, Child Care Assistance Program

Proposed Amendment to Rules Governing the Child Care Assistance Program, *Minnesota Rules*, Parts 3400.0010 through 3400.0235; Revisor's ID 4560

OAH Docket number 82-9029-35572

EXHIBIT K: NOT APPLICABLE – NOTICE OF WITHDRAWAL OF HEARING REQUEST

A notice of withdrawal of hearing request is not included as an exhibit because there were no withdrawals of a hearing request for these rules.



Children and Family Services, Child Care Assistance Program

Proposed Amendment to Rules Governing the Child Care Assistance Program, *Minnesota Rules*, Parts 3400.0010 through 3400.0235; Revisor's ID 4560

OAH Docket number 82-9029-35572

EXHIBIT L-1: ADOPTED RULE WITH MODIFICATIONS

1.1 **Department of Human Services**

1.2 **Adopted Permanent Rules Relating to Child Care Assistance Program**

1.3 **3400.0010 PURPOSE AND APPLICABILITY.**

1.4 Subpart 1. **Purpose.** The purpose of this chapter is to:

1.5 A. govern the administration of the child care fund, to reduce, according to a
1.6 sliding fee schedule, the costs of child care services for eligible families to enable them to
1.7 seek or retain employment or to participate in education or training programs to obtain
1.8 employment; and

1.9 B. provide eligible families with financial resources to find and afford quality
1.10 child care supporting their children's development, school readiness, and well-being. This
1.11 chapter establishes child care assistance eligibility and child care assistance authorization
1.12 standards for participants and registered child care providers and administrative requirements
1.13 for child care assistance program (CCAP) agencies administering the child care fund.

1.14 Subp. 2. **Applicability.** This chapter applies to all CCAP agencies providing child
1.15 care assistance services to eligible families, registered child care providers, and child care
1.16 providers seeking to register for child care assistance under Minnesota Statutes, chapter
1.17 119B.

1.18 **3400.0020 DEFINITIONS.**

1.19 Subpart 1. **Scope.** In parts 3400.0010 to 3400.0230, the terms defined in Minnesota
1.20 Statutes, section 119B.011, have the meanings given them in that section, and the following
1.21 terms have the meanings given them in this part.

1.22 Subp. 1a. **12-month eligibility period.** "12-month eligibility period" means the time
1.23 period after a CCAP agency has approved a family's application or completed a
1.24 redetermination of a family's eligibility until the family's next eligibility determination.

2.1 Subp. 1b. **12-month reporter.** "12-month reporter" means a family that is not a
2.2 schedule reporter.

2.3 Subp. 1c. **15-day adverse action notice.** "15-day adverse action notice" means the
2.4 written notification that a family or child care provider receives 15 days in advance of a
2.5 negative action impacting the family's or child care provider's eligibility or authorization.

2.6 Subp. 1d. **A setting subject to public education standards.** "A setting subject to
2.7 public education standards" means an education program that meets the state's expectations
2.8 for student learning in K-12 public schools, such as Head Start programs and prekindergarten
2.9 or school-age care programs.

2.10 Subp. 1e. **Activity schedule.** "Activity schedule" means the days and times when a
2.11 parentally responsible individual works, attends school, or participates in an authorized
2.12 activity allowed by Minnesota Statutes, section 119B.05, subdivision 1. When a parentally
2.13 responsible individual has a job with a flexible schedule, activity schedule means the typical
2.14 days and times that the parentally responsible individual works or the possible days and
2.15 times when the parentally responsible individual may work.

2.16 Subp. 2. [Repealed, 26 SR 253]

2.17 Subp. 3. [Repealed, 26 SR 253]

2.18 Subp. 4. [See repealer.]

2.19 Subp. 5. **Administrative expenses.** "Administrative expenses" means costs associated
2.20 with the direct services administration of the child care fund. Administrative expenses
2.21 include:

2.22 A. salaries, wages, and related payroll expenses that a CCAP agency incurs in the
2.23 administration of the child care fund, including direct personnel costs, expenses for general
2.24 administration and supervision, and expenses for secretarial, clerical, accounting, and other
2.25 support services;

3.1 *[For text of items B to E, see Minnesota Rules]*

3.2 Subp. 6. [Repealed, 26 SR 253]

3.3 Subp. 7. [Repealed, 26 SR 253]

3.4 Subp. 8. **Allocation.** "Allocation" means the share of the total state appropriation of
3.5 money from the child care fund that a county or Tribe may earn and use during an allocation
3.6 period. The commissioner may raise or lower a county's or Tribe's allocation during the
3.7 allocation period when the commissioner redistributes unexpended or unencumbered
3.8 allocations or when additional money become available.

3.9 Subp. 9. [Repealed, 26 SR 253]

3.10 Subp. 9a. [Renumbered subp 11a]

3.11 Subp. 9a. **Authorized activity.** "Authorized activity" means a parentally responsible
3.12 individual is seeking employment or participating in an employment, education, or training
3.13 program as allowed by Minnesota Statutes, section 119B.10, or an MFIP family participating
3.14 in an authorized activity as allowed by Minnesota Statutes, section 119B.05, subdivision
3.15 1.

3.16 Subp. 10. [Repealed, 26 SR 253]

3.17 Subp. 10a. **Authorized hours.** "Authorized hours" means the number of hours in a
3.18 service period, not to exceed the maximum hour limit established in Minnesota Statutes,
3.19 section 119B.09, subdivision 6, payable for a child from the child care fund.

3.20 Subp. 10b. **Back-up child care provider.** "Back-up child care provider" means a
3.21 child care provider that meets the criteria of part 3400.0120, subpart 1, and cares for a child
3.22 on a sporadic basis when the child's primary or secondary child care provider is unavailable.

3.23 Subp. 10c. **Certified license-exempt child care center.** "Certified license-exempt
3.24 child care center" has the meaning given in Minnesota Statutes, section 245H.01.

4.1 Subp. 11. [Repealed, 26 SR 253]

4.2 Subp. 11a. **Child in an at-risk population.** "Child in an at-risk population" means a
4.3 child with environmental or familial factors that may create barriers to the child's optimal
4.4 achievement, such as a federal or state disaster, limited English proficiency in a family, a
4.5 history of abuse or neglect, a determination that the child is at risk of abuse or neglect,
4.6 family violence, homelessness, the age of the child's mother, the level of maternal education,
4.7 mental illness, a developmental disability, parental chemical dependency, or a history of
4.8 other substance abuse.

4.9 *[For text of subpart 12, see Minnesota Rules]*

4.10 Subp. 12a. **Child care assistance household.** "Child care assistance household" means
4.11 individuals living in the same home, including individuals who are temporarily absent from
4.12 the home, who are a family as defined by Minnesota Statutes, section 119B.011, subdivision
4.13 13.

4.14 Subp. 12b. **Child care assistance program.** "Child care assistance program" means
4.15 financial assistance for child care costs. The child care assistance program supports a
4.16 parentally responsible individual with a low income who is employed, engaged in a job
4.17 search, or engaged in education. The child care assistance program ensures that children of
4.18 parentally responsible individuals have access to child care and ~~are prepared to enter school~~
4.19 thrive as successful learners.

4.20 Subp. 12c. **Child care center employee.** "Child care center employee" means:

4.21 A. a person employed by a licensed or certified license-exempt child care center;

4.22 B. a person who is not employed by a licensed or certified license-exempt child
4.23 care center who has direct contact with children that the center serves and who has a
4.24 background study required by Minnesota Statutes, section 245C.03, subdivision 1, paragraph
4.25 (a), clause (3);

5.1 C. a person who is a contractor under Minnesota Statutes, section 245C.02,
5.2 subdivision 9; or

5.3 D. a person who is a child care staff member under Code of Federal Regulations,
5.4 title 45, section 98.43 (a)(2)(ii).

5.5 Subp. 12d. **Commissioner.** "Commissioner" means the commissioner of the state
5.6 agency that supervises the child care assistance program.

5.7 Subp. 12e. **Copayment.** "Copayment" means the amount that a family must contribute
5.8 to child care costs as determined under Minnesota Statutes, section 119B.12.

5.9 Subp. 12f. **Child care assistance program agency or CCAP agency.** "Child care
5.10 assistance program agency" or "CCAP agency" means a county agency, Tribal agency, or
5.11 subcontracted agency designated by the county board or Tribal council to administer the
5.12 child care assistance program (CCAP).

5.13 Subp. 12g. **Department.** "Department" means the state agency that supervises the
5.14 child care assistance program.

5.15 Subp. 13. [Repealed, 26 SR 253]

5.16 Subp. 14. [Repealed, 26 SR 253]

5.17 Subp. 15. [Repealed, 26 SR 253]

5.18 Subp. 16. [Repealed, 26 SR 253]

5.19 Subp. 17. [Repealed, 26 SR 253]

5.20 *[For text of subpart 17a, see Minnesota Rules]*

5.21 Subp. 18. **Documentation.** "Documentation" means a written statement or record,
5.22 including an electronic record, that substantiates or validates an assertion made by a person
5.23 or an action taken by a CCAP agency.

6.1 *[For text of subpart 18a, see Minnesota Rules]*

6.2 Subp. 19. [Repealed, 26 SR 253]

6.3 Subp. 20. **Eligible relative caregiver.** "Eligible relative caregiver" means a person
6.4 identified under Minnesota Statutes, section 256J.08, subdivision 11, (1) who is a caregiver
6.5 of a child receiving a MFIP child-only grant or (2) who is a caregiver receiving an MFIP
6.6 grant and the MFIP caregiver of a child. A person has the status of an eligible relative
6.7 caregiver for child care assistance if the person is a caregiver receiving assistance under
6.8 Minnesota Statutes, chapter 256J. After an eligible relative caregiver begins receiving child
6.9 care assistance, the eligible relative caregiver retains eligible caregiver status for all child
6.10 care assistance programs until there is a break in the eligible relative caregiver's eligibility
6.11 for child care assistance.

6.12 Subp. 20a. **Extended eligibility.** "Extended eligibility" means that a family continues
6.13 to be eligible for child care assistance for up to three months or until the family's
6.14 redetermination, whichever occurs first, after a parentally responsible individual experiences
6.15 a permanent end to the individual's only authorized activity or when another parentally
6.16 responsible individual moves into the household and is not participating in an authorized
6.17 activity. During a family's extended eligibility period, a CCAP agency must not reduce the
6.18 family's authorized amount of child care unless the family requests a reduction of the
6.19 authorized amount of child care.

6.20 Subp. 21. [Repealed, 26 SR 253]

6.21 Subp. 22. [Repealed, 26 SR 253]

6.22 Subp. 23. [Repealed, 26 SR 253]

6.23 Subp. 24. [See repealer.]

6.24 Subp. 25. **Full calendar month.** "Full calendar month" means from the first day of
6.25 a month through the last day of that month.

7.1 Subp. 26. **Full-day basis.** "Full-day basis" means child care that a family has scheduled
7.2 and a CCAP agency has authorized with a child care provider for more than five hours per
7.3 day.

7.4 Subp. 27. [Repealed, 30 SR 1318]

7.5 *[For text of subpart 28, see Minnesota Rules]*

7.6 Subp. 28a. **Imminent risk.** "Imminent risk" means an immediate and impending threat
7.7 to the health, safety, or rights of a child while in the care of a child care provider.

7.8 Subp. 29. [Repealed, 26 SR 253]

7.9 Subp. 29a. **Immunization record.** "Immunization record" means the statement
7.10 described in Minnesota Statutes, section 121A.15, subdivision 1; 3, paragraph (c) or (d); or
7.11 4.

7.12 Subp. 30. [Repealed, 26 SR 253]

7.13 Subp. 31. [Repealed, 26 SR 253]

7.14 Subp. 31a. MR 2001 [Removed, L 2003 1Sp14 art 1 s 106]

7.15 *[For text of subpart 31b, see Minnesota Rules]*

7.16 Subp. 31c. **Legal nonlicensed child care setting.** "Legal nonlicensed child care
7.17 setting" means the indoor and outdoor space where a legal nonlicensed child care provider
7.18 provides child care.

7.19 Subp. 31d. **Licensed child care center.** "Licensed child care center" means a child
7.20 care program operating at a facility requiring a license under Minnesota Statutes, chapter
7.21 245A. A licensed child care center is not excluded from licensure under Minnesota Statutes,
7.22 section 245A.03, subdivision 2, and is not required to be licensed under parts 9502.0315 to
7.23 9502.0445 as a family or group family day care home.

8.1 Subp. 31e. **Licensed family child care provider.** "Licensed family child care provider"
8.2 means:

8.3 A. an individual who is licensed to provide child care under Minnesota Statutes,
8.4 chapter 245A, when the individual operates as a child care provider within the terms of the
8.5 license;

8.6 B. an individual who: (i) holds a valid child care license issued by another state
8.7 or a Tribe; (ii) provides child care services in the licensing state or in the area under the
8.8 licensing Tribe's jurisdiction; and (iii) is in compliance with federal health and safety
8.9 requirements certified by the licensing state or Tribe or determined by the receipt of child
8.10 care development block grant funds in the licensing state; or

8.11 C. an individual who provides child care while operating under the jurisdiction of
8.12 the federal government.

8.13 Subp. 31f. **Lump sum.** "Lump sum" means money or payments that a family receives
8.14 on a nonrecurring or irregular basis, such as child support arrears, an inheritance, an insurance
8.15 payment, or gambling winnings.

8.16 Subp. 32. [Repealed, 26 SR 253]

8.17 Subp. 32a. [Repealed, 33 SR 695]

8.18 Subp. 32b. **Minimum wage.** "Minimum wage" means the minimum wage applicable
8.19 under Minnesota Statutes, chapter 177, and under Code of Federal Regulations, title 29,
8.20 part 531, to the applicant or participant or the premises where the applicant or participant
8.21 is employed.

8.22 Subp. 33. **Overpayment.** "Overpayment" means the portion of a child care payment
8.23 that is greater than the amount for which a recipient is eligible or greater than the amount
8.24 that a child care provider should have received.

9.1 Subp. 34. [Repealed, 26 SR 253]

9.2 *[For text of subpart 34a, see Minnesota Rules]*

9.3 Subp. 34b. **Parentally responsible individual.** "Parentally responsible individual"
9.4 means a parent, stepparent, legal guardian, eligible relative caregiver, or eligible relative
9.5 caregiver's spouse who is a member of the child care assistance family as defined under
9.6 Minnesota Statutes, section 119B.011, subdivision 13, and who resides in the household
9.7 that applies for child care assistance.

9.8 Subp. 34c. **Permanent end of an authorized activity.** "Permanent end of an authorized
9.9 activity" means a parentally responsible individual is no longer participating in an authorized
9.10 activity as allowed under subpart 9a.

9.11 Subp. 34d. **Portability pool child care assistance.** "Portability pool child care
9.12 assistance" means continuous child care assistance for eligible families who move between
9.13 Minnesota counties under Minnesota Statutes, section 119B.03, subdivision 9.

9.14 Subp. 35. **Provider rate.** "Provider rate" means the amount that the child care provider
9.15 charges for child care.

9.16 Subp. 36. [Repealed, 26 SR 253]

9.17 Subp. 37. **Redetermination.** "Redetermination" means the process by which
9.18 information is collected by a CCAP agency and that the CCAP agency uses to determine
9.19 whether a participant is eligible for continued assistance from the child care fund.

9.20 Subp. 37a. **Related to the child care provider.** "Related to the child care provider"
9.21 means that the legal nonlicensed child care provider under Minnesota Statutes, section
9.22 119B.011, subdivision 16, is the child's sibling, aunt, uncle, grandparent, or great-grandparent,
9.23 based on a blood relationship, marriage, or court decree.

9.24 Subp. 38. [See repealer.]

10.1 *[For text of subpart 38a, see Minnesota Rules]*

10.2 Subp. 38b. **Scheduled hours.** "Scheduled hours" means the specific days and hours
10.3 during a service period that a child will attend child care as determined by the CCAP agency,
10.4 the parentally responsible individual, and the child care provider based on the parentally
10.5 responsible individual's verified authorized activity schedule, the child's school schedule,
10.6 and any other factors relevant to the family's child care needs.

10.7 Subp. 38c. **Schedule reporter.** "Schedule reporter" means a family that meets at least
10.8 one of the following criteria:

10.9 A. a parentally responsible individual in the family is employed by a child care
10.10 center licensed by the Minnesota Department of Human Services;

10.11 B. at least one child in the family is authorized for child care assistance with a
10.12 legal nonlicensed child care provider; or

10.13 C. at least one child in the family is authorized for child care assistance with more
10.14 than one child care provider.

10.15 Subp. 38d. **Service period.** "Service period" means the biweekly period that the child
10.16 care assistance program uses for billing and payment purposes.

10.17 Subp. 39. **State median income.** "State median income" means the state's annual
10.18 median income for a family of three, adjusted for family size, developed by the United
10.19 States Bureau of the Census.

10.20 Subp. 39a. **Student parent.** "Student parent" means a person who meets the criteria
10.21 in Minnesota Statutes, section 119B.011, subdivision 19b, who is not eligible for transition
10.22 year child care.

11.1 Subp. 40. **Student.** "Student" means an individual enrolled in an education program
11.2 as defined in Minnesota Statutes, section 119B.011, subdivision 11. A student's full-time
11.3 or part-time status is defined by the student's educational institution.

11.4 Subp. 40a. **Temporarily absent.** "Temporarily absent" means that a family member
11.5 included in the child care assistance program household is living away from the family's
11.6 residence and intends to return to the residence after a temporary absence. A temporarily
11.7 absent adult who is in an authorized activity is not subject to the 60-day limit under Minnesota
11.8 Statutes, section 119B.011, subdivision 13. Temporary absences include circumstances
11.9 under which a family member is away from the household such as:

11.10 A. a family member who attends a school away from home;

11.11 B. a family member in foster care;

11.12 C. a family member in a residential treatment facility;

11.13 D. a family member in military service;

11.14 E. a family member in a rehabilitation program; and

11.15 F. an incarcerated family member.

11.16 Subp. 40b. **Transition year child care.** "Transition year child care" means child care
11.17 assistance that an eligible family under Minnesota Statutes, section 119B.011, subdivision
11.18 20, may use to support a parentally responsible individual's employment, education, or job
11.19 search.

11.20 Subp. 40c. **Unable to care.** "Unable to care" means that a parentally responsible
11.21 individual is not capable of adequately caring for or supervising a child.

11.22 Subp. 40d. **Unsafe care.** "Unsafe care" means that a CCAP agency knows or has
11.23 reason to believe that a child care provider is unsafe or the circumstances of the chosen

12.1 child care arrangement are unsafe under Minnesota Statutes, section 119B.125, subdivision
12.2 4.

12.3 Subp. 40e. **Verification.** "Verification" means a written statement or record, in any
12.4 form, including an electronic record, that substantiates or validates an assertion that a person
12.5 makes. Information that a person reports on an application, at redetermination, or on a
12.6 reporting form does not qualify as a verification.

12.7 Subp. 40f. **Verified activity schedule.** "Verified activity schedule" means a written
12.8 statement or record that substantiates or validates the days and times when a parentally
12.9 responsible individual works, attends school, or participates in an authorized activity under
12.10 Minnesota Statutes, section 119B.05, subdivision 1.

12.11 Subp. 41. [Repealed, 26 SR 253]

12.12 Subp. 42. [Repealed, 26 SR 253]

12.13 Subp. 43. [Repealed, 26 SR 253]

12.14 Subp. 44. **Weekly basis.** "Weekly basis" means child care that a CCAP agency
12.15 authorizes with a child care provider for more than 35 hours per week.

12.16 **3400.0035 APPLICATION PROCEDURE.**

12.17 Subpart 1. **Information requests.** When a family asks for information about paying
12.18 for child care, a CCAP agency must give the family information supplied by the
12.19 commissioner about the following items:

12.20 A. the child care assistance program and eligibility requirements;

12.21 B. federal and state child and dependent care tax credits;

12.22 C. federal earned income tax credits;

12.23 D. Minnesota working family credits;

- 13.1 E. early childhood family education, school readiness, and Head Start programs;
- 13.2 F. early childhood screening;
- 13.3 G. health care programs, including health care programs for children in Minnesota;
- 13.4 H. child care resource and referral services;
- 13.5 I. financial assistance for families, including early learning scholarships established
- 13.6 by Minnesota Statutes, section 124D.165, and the postsecondary child care grant program
- 13.7 established by Minnesota Statutes, section 136A.125; and
- 13.8 J. other programs and services for young children and families.

13.9 Subp. 1a **Child care assistance requests.** When a family requests an application for
 13.10 child care assistance, a CCAP agency must give the family an application or provide
 13.11 information about how to submit an application electronically. When a family applies for
 13.12 child care assistance, a CCAP agency must give the family the information in subpart 1 and
 13.13 the following information:

- 13.14 A. the eligibility requirements for the child care fund;
- 13.15 B. the documentation necessary to confirm a family's eligibility;
- 13.16 C. if a waiting list exists, the number of families on the waiting list or the estimated
- 13.17 time that the applicant will spend on the waiting list before reaching the top of the list;
- 13.18 D. the procedure for applying for child care assistance;
- 13.19 E. the requirement to pay a copayment based on a family's size and income;
- 13.20 F. how to choose a child care provider;
- 13.21 G. a family's rights and responsibilities when choosing a child care provider;
- 13.22 H. special needs rates;

14.1 I. a family's responsibility for paying child care provider charges that exceed the
14.2 maximum child care payment in addition to the copayment; and

14.3 J. the family's reporting responsibilities under part 3400.0040, subpart 4.

14.4 Subp. 1b. **Application for child care assistance.** A family must apply for child care
14.5 assistance in the family's county of residence.

14.6 Subp. 2. **Accepting and processing applications.** A CCAP agency must accept all
14.7 signed and dated applications for child care assistance that the CCAP agency receives. A
14.8 CCAP agency must accept an application from an applicant who does not reside in a county
14.9 served by the CCAP agency or who does not meet the Tribal CCAP agency's criteria for
14.10 families that the Tribal CCAP agency serves. If a CCAP agency receives an application
14.11 from an applicant who does not reside in a county served by the CCAP agency or who does
14.12 not meet the Tribal CCAP agency's criteria for families that the Tribal CCAP agency serves,
14.13 the agency must immediately forward the application to a CCAP agency that may serve the
14.14 applicant's family based on the family's place of residence or forward to a Tribal CCAP
14.15 agency if the applicant meets the Tribal CCAP agency's criteria for families that the Tribal
14.16 CCAP agency serves.

14.17 Subp. 2a. **Application processing for family experiencing homelessness.** An
14.18 applicant is not eligible for expedited application processing under Minnesota Statutes,
14.19 section 119B.025, subdivision 1, paragraph (c), if less than six months have passed from
14.20 the date that a CCAP agency approved a previous application using expedited application
14.21 processing.

14.22 Subp. 3. **Informational release.**

14.23 A. When the CCAP agency determines that an applicant may be eligible for child
14.24 care assistance but is unable to document the applicant's eligibility for the program, the

15.1 CCAP agency must offer an applicant the opportunity to sign an informational release to
15.2 permit the CCAP agency to verify whether an applicant qualifies for child care assistance.

15.3 B. A CCAP agency must obtain a signed informational release from a family to
15.4 permit the CCAP agency to give the family's child care provider additional information that
15.5 is not required by part 3400.0185, subparts 9, 11, and 13, and Minnesota Statutes, section
15.6 119B.13, subdivision 5.

15.7 C. The CCAP agency must give the applicant the information required by
15.8 Minnesota Statutes, section 13.04, subdivision 2.

15.9 Subp. 4. [See repealer.]

15.10 Subp. 5. [See repealer.]

15.11 Subp. 6. [See repealer.]

15.12 Subp. 7. **Selection of child care provider.** An applicant must select a child care
15.13 provider and the child care provider must meet the criteria in part 3400.0120, subpart 1,
15.14 before a CCAP agency authorizes a child to receive child care from the child care provider
15.15 and issues payments to the child care provider from the child care fund. The same criteria
15.16 applies if a parentally responsible individual selects a child care provider at a time other
15.17 than at the time of application.

15.18 Subp. 8. **Selection of legal nonlicensed child care provider.** Before a CCAP agency
15.19 authorizes child care with a legal nonlicensed child care provider, an applicant or participant
15.20 who selects a legal nonlicensed child care provider must sign a document that contains:

15.21 A. a description of the registration process for a legal nonlicensed child care
15.22 provider;

15.23 B. a description of the parentally responsible individual's rights and responsibilities
15.24 when choosing a child care provider;

16.1 C. an acknowledgment that the parentally responsible individual and the legal
16.2 nonlicensed child care provider have reviewed the health and safety information provided
16.3 during the registration process;

16.4 D. an assurance that the parentally responsible individual will provide an
16.5 immunization record for each of the parentally responsible individual's children to the legal
16.6 nonlicensed child care provider within 30 days of the date that the CCAP agency authorizes
16.7 child care to begin for each child and will give the legal nonlicensed child care provider the
16.8 information necessary to update each child's immunization record;

16.9 E. an acknowledgment that the legal nonlicensed child care provider does not
16.10 share a home or residence with a child whose family is applying for or receiving child care
16.11 assistance;

16.12 F. an acknowledgment that the legal nonlicensed child care provider must complete
16.13 training as outlined in part 3400.0120, subpart 6, and Minnesota Statutes, section 119B.125,
16.14 subdivision 1b, before the CCAP agency authorizes the legal nonlicensed child care provider
16.15 to provide child care for the child; and

16.16 G. an acknowledgment that if the CCAP agency knows that the child care provider
16.17 is unsafe or that the circumstances of the child care arrangement are unsafe, the CCAP
16.18 agency may deny CCAP payments to the child care provider.

16.19 Subp. 9. **Selection of in-home child care provider.** A CCAP agency must inform
16.20 an applicant or a participant who selects a child care provider to provide child care in the
16.21 applicant's or participant's home that selecting an in-home child care provider creates an
16.22 employer/employee relationship between the parent and the child care provider. If an
16.23 applicant or participant selects an in-home child care provider, a CCAP agency must refer
16.24 the applicant or participant to resources that are available for more information about the
16.25 applicable legal rights and responsibilities.

17.1 **3400.0040 ELIGIBILITY REQUIREMENTS AND STANDARDS.**

17.2 *[For text of subpart 1, see Minnesota Rules]*

17.3 Subp. 2. [Repealed, 26 SR 253]

17.4 Subp. 3. **Verification requirements at application.**

17.5 A. In addition to the requirements in Minnesota Statutes, section 119B.025,
17.6 subdivision 1, an applicant for child care assistance must provide verification to a CCAP
17.7 agency of:

17.8 (1) the citizenship or immigration status of children in the applicant's family
17.9 according to item D;

17.10 (2) the dates of birth of all children in the family;

17.11 (3) the date of birth of the applicant if the applicant is under 21 years of age;

17.12 (4) the income, if counted under Minnesota Statutes, chapter 256P, of each
17.13 member of the applicant's family, including each member who is temporarily absent from
17.14 the applicant's household;

17.15 (5) the identity and place of residence of each member of the applicant's
17.16 family, including each member who is temporarily absent from the household;

17.17 (6) the work, education, and training activity status of each parentally
17.18 responsible individual; and

17.19 (7) the family's assets, if the family's total assets exceed \$1,000,000.

17.20 B. At the time of application for child care assistance, a family may verify:

17.21 (1) the income deductions allowed under part 3400.0170. A CCAP agency
17.22 must process an application without income deductions if a family has not verified income

18.1 deductions by the end of the application processing period in Minnesota Statutes, section
18.2 119B.025, subdivision 1;

18.3 (2) the school status of students six years of age and older with earned income.
18.4 If a family has not verified a student's school status by the end of the application processing
18.5 period in Minnesota Statutes, section 119B.025, subdivision 1, a CCAP agency must count
18.6 the student's earned income under Minnesota Statutes, section 256P.06, subdivision 3, clause
18.7 (1); and

18.8 (3) the Social Security number of all applicants as required by Minnesota
18.9 Statutes, section 119B.025, subdivision 2.

18.10 C. For a CCAP agency to authorize care of children at the time of application, an
18.11 eligible family must:

18.12 (1) verify the work, education, and training schedule of each parentally
18.13 responsible individual; and

18.14 (2) provide the school schedule of each child who needs child care and attends
18.15 school.

18.16 D. An applicant must have at least one child who meets the citizenship or
18.17 immigration status requirement in the Federal Child Care and Development Fund, Code of
18.18 Federal Regulations, title 45, section 98.20 (c), or who is receiving child care in a setting
18.19 subject to public education standards. For a CCAP agency to authorize care of a child, a
18.20 family must verify the child's citizenship or immigration status unless a setting subject to
18.21 public education standards is providing care for the child.

18.22 E. A CCAP agency must determine an applicant's eligibility for child care
18.23 assistance within the time frames in Minnesota Statutes, section 119B.025, subdivision 1.

19.1 **Subp. 4. Participant reporting responsibilities.**

19.2 A. In addition to the reporting requirements in Minnesota Statutes, sections
19.3 119B.03, subdivision 9, and 256P.07, subdivisions 3 and 6, a family must report the following
19.4 information to a CCAP agency within ten calendar days:

19.5 (1) the family's assets when the assets are listed under subpart 5b and are
19.6 over \$1,000,000 in total;

19.7 (2) the parentally responsible individual begins providing child care to
19.8 children; or

19.9 (3) the parentally responsible individual begins working in a child care setting.

19.10 B. In addition to the reporting requirements in item A, a schedule reporter must
19.11 report the following changes to a CCAP agency within ten calendar days of the change:

19.12 (1) a change in employment, education, or training status, including starting
19.13 an authorized activity, ending an authorized activity, or temporary breaks in an authorized
19.14 activity;

19.15 (2) changes in an employment schedule or education schedule; and

19.16 (3) changes in the number of hours of job search participation.

19.17 C. A family must notify a CCAP agency and the family's child care provider of
19.18 the family's intent to change child care providers at least 15 calendar days in advance of the
19.19 date when the change takes effect. A family is not required to notify a CCAP agency and
19.20 the child care provider 15 calendar days in advance of the date when the change takes effect
19.21 under one of the following conditions:

19.22 (1) when a child care provider is licensed by the state of Minnesota and the
19.23 child care provider's license is temporarily immediately suspended under Minnesota Statutes,
19.24 section 245A.07;

20.1 (2) when there is an imminent risk of harm to the health, safety, or rights of
20.2 a child in the care of the child care provider and the child care provider is a legal nonlicensed
20.3 child care provider, certified license-exempt child care center, or child care provider licensed
20.4 by an entity other than the state of Minnesota;

20.5 (3) when a CCAP agency or the commissioner has suspended the child care
20.6 provider's payment under Minnesota Statutes, chapter 245E; or

20.7 (4) when a CCAP agency or the commissioner has denied or revoked the
20.8 child care provider's registration under Minnesota Statutes, section 119B.13, subdivision
20.9 6, paragraph (d), clause (1) or (2).

20.10 D. A participant may report a change to the CCAP agency in person, by telephone,
20.11 by facsimile, by mail, electronically, by e-mail, or on a change reporting form.

20.12 Subp. 4a. **Verification requirements during 12-month eligibility period.**

20.13 A. A CCAP agency must request verification of a change when a 12-month reporter
20.14 or a schedule reporter reports any of the following changes during the 12-month eligibility
20.15 period:

20.16 (1) a change in income that results in income exceeding 85 percent of the
20.17 state median income;

20.18 (2) a new authorized activity at the end of a job search, unless the job search
20.19 is an authorized activity in an employment plan; or

20.20 (3) a move out of the state.

20.21 A CCAP agency must allow a 12-month reporter or schedule reporter 15 calendar days to
20.22 return a verification to the CCAP agency. If a verification demonstrates that the 12-month
20.23 reporter or schedule reporter is no longer eligible for child care assistance or if the 12-month
20.24 reporter or schedule reporter does not return a verification to the CCAP agency after 15

21.1 days, the CCAP agency must terminate the 12-month reporter's or schedule reporter's
21.2 eligibility with a 15-day adverse action notice.

21.3 B. The CCAP agency must request verification of a change when a 12-month
21.4 reporter reports any of the following changes during the 12-month eligibility period:

21.5 (1) the permanent end of an authorized activity;

21.6 (2) new employment if the parentally responsible individual is employed by
21.7 a child care center licensed by Minnesota; or

21.8 (3) authorized activity changes if the family is requesting authorization for
21.9 more hours of child care.

21.10 A CCAP agency must allow a 12-month reporter 15 calendar days to return a verification
21.11 to the CCAP agency. If the CCAP agency does not receive verification of the permanent
21.12 end of an authorized activity and the 12-month reporter has no other authorized activity, a
21.13 CCAP agency must place the 12-month reporter in extended eligibility according to part
21.14 3400.0175 on the date that the CCAP agency becomes aware of the permanent end of the
21.15 authorized activity. If the CCAP agency does not receive verification from a 12-month
21.16 reporter of a parentally responsible individual's new employment at a licensed child care
21.17 center within 15 days, the CCAP agency must terminate the 12-month reporter's child care
21.18 authorization with a 15-day adverse action notice and suspend the 12-month reporter's
21.19 eligibility until the CCAP agency receives verification that allows the CCAP agency to
21.20 authorize child care. If a CCAP agency does not receive a verification of an authorized
21.21 activity change, the CCAP agency must not increase a 12-month reporter's authorized child
21.22 care hours until the CCAP agency receives verification.

21.23 C. A CCAP agency must request verification of a change when a schedule reporter
21.24 reports any of the following changes during the 12-month eligibility period:

21.25 (1) a schedule change;

- 22.1 (2) new employment;
- 22.2 (3) a temporary break from an authorized activity; or
- 22.3 (4) a permanent end of an authorized activity.

22.4 A CCAP agency must allow a schedule reporter 15 calendar days to return a verification to
 22.5 the CCAP agency. If the CCAP agency does not receive a verification, the CCAP agency
 22.6 must terminate the schedule reporter's child care authorization with a 15-day adverse action
 22.7 notice and suspend the schedule reporter's eligibility until the CCAP agency receives
 22.8 verification that allows the CCAP agency to authorize child care. If the CCAP agency
 22.9 receives the verification and the change results in a reduction in authorized child care hours,
 22.10 the CCAP agency must send the schedule reporter and the child care provider a 15-day
 22.11 adverse action notice before the reduction in authorized child care hours is effective.

22.12 D. When a family's reported and verified change results in an increase in authorized
 22.13 child care hours, a CCAP agency must increase the amount of the family's authorized child
 22.14 care.

22.15 Subp. 5. **Employment, education, and training requirements.** In a family with a
 22.16 single parentally responsible individual, or unmarried legal guardian or eligible relative
 22.17 caregiver, the applicant or participant must meet employment, education, or training
 22.18 requirements and other eligibility requirements in this part and in part 3400.0060, 3400.0080,
 22.19 or 3400.0090 for the child care assistance program for which the family is applying or in
 22.20 which the family is participating.

22.21 In a family with more than one parentally responsible individual or any combination
 22.22 of parents, stepparents, legal guardians and spouses, and eligible relative caregivers and
 22.23 spouses, at least one parent, legal guardian, eligible relative caregiver, or spouse must meet
 22.24 employment, education, or training requirements and other eligibility requirements in this
 22.25 part and in part 3400.0060, 3400.0080, or 3400.0090 for the child care assistance program

23.1 for which the family is applying or participating in. The other parents, legal guardians,
23.2 eligible relative caregivers, or spouses must:

23.3 A. meet the employment, education, or training requirements and other eligibility
23.4 requirements in this part and part 3400.0060, 3400.0080, or 3400.0090 for the child care
23.5 assistance program for which the family is applying or participating in; or

23.6 B. be unable to care for the applicant's or participant's child or dependent as
23.7 determined by a licensed physician, licensed psychologist, licensed psychiatrist, or licensed
23.8 social worker. The status of a parentally responsible individual who is unable to care for
23.9 the child is permanent when the parentally responsible individual's condition is ongoing
23.10 and unlikely to improve; or temporary when the individual's condition has an expected or
23.11 defined end date.

23.12 Subp. 5a. **Child support cooperation.**

23.13 A. All applicants and participants of the child care assistance program must
23.14 cooperate with child support obligations under Minnesota Statutes, section 119B.09,
23.15 subdivision 1, paragraph (c).

23.16 B. A family cooperating with child support at application is retroactively eligible
23.17 for child care assistance within the time frames in Minnesota Statutes, section 119B.09,
23.18 subdivision 7, paragraph (c).

23.19 C. A CCAP agency must deny an application for child care assistance if the
23.20 applicant is not cooperating with child support by the end of the application processing time
23.21 frame in Minnesota Statutes, section 119B.025, subdivision 1, paragraph (b).

23.22 D. A CCAP agency must terminate a family's eligibility when the family is not
23.23 cooperating with child support at the time of redetermination. If a family meets the
23.24 requirements in Minnesota Statutes, section 119B.025, subdivision 3, paragraph (c), clause
23.25 (1), and cooperates with child support within 30 days after the date that the redetermination

24.1 was due, a CCAP agency must reinstate the family's eligibility retroactively from the date
24.2 that the family's eligibility ended.

24.3 E. The child care portion of the child support order for children receiving child
24.4 care assistance must be assigned to the public authority as provided in Minnesota Statutes,
24.5 section 256.741.

24.6 Subp. 5b. **Assets.** To be eligible for child care assistance, a family's countable assets
24.7 must not exceed \$1,000,000.

24.8 A. Countable assets include:

24.9 (1) the value of all cash held by all members of the family;

24.10 (2) the value of all bank accounts held by all members of the family;

24.11 (3) the value of stocks, bonds, pensions, and retirement funds held by all
24.12 members of the family that are readily accessible without a financial penalty;

24.13 (4) the trade-in value of vehicles, excluding one vehicle per family member
24.14 age 16 or older; and

24.15 (5) the value of real property, excluding property where the family resides,
24.16 real property that is homesteaded, and property that the family uses for self-employment or
24.17 self-support.

24.18 B. When a family declares or reports that the family's assets exceed \$1,000,000,
24.19 a CCAP agency must request verification of the family's assets. A CCAP agency must allow
24.20 a family 15 calendar days to return the verification. If the verification confirms that the
24.21 value of a family's countable assets is over \$1,000,000 or if a family does not return the
24.22 verification, a CCAP agency must deny the family's application or terminate the family's
24.23 eligibility with a 15-day adverse action notice.

24.24 Subp. 6. [Repealed, 26 SR 253]

25.1 Subp. 6a. **Ineligibility due to failure to pay fees under the child care fund.**

25.2 A. A family that fails to pay the required copayment under Minnesota Statutes,
25.3 section 119B.09, subdivision 1, paragraph (d), is ineligible for child care assistance until
25.4 the family pays the fees or until the family reaches an agreement for payment with the child
25.5 care provider and the CCAP agency and continues to comply with the payment agreement.

25.6 B. When a child care provider provides child care in a child's home and the child's
25.7 family fails to pay the child care provider the amount of the child care assistance payment,
25.8 the family is ineligible for child care assistance until the family makes the child care
25.9 assistance payment or until the family reaches an agreement for payment with the child care
25.10 provider and the CCAP agency and continues to comply with the payment agreement.

25.11 *[For text of subpart 6b, see Minnesota Rules]*

25.12 Subp. 6c. **Date of eligibility for child care assistance.** A CCAP agency must determine
25.13 the date of a family's eligibility for child care assistance under parts 3400.0060 and 3400.0080
25.14 according to Minnesota Statutes, section 119B.09, subdivision 7. The date of eligibility for
25.15 child care assistance under part 3400.0090 begins on the date that a family's MFIP or DWP
25.16 case closed.

25.17 Subp. 7. [See repealer.]

25.18 Subp. 8. **Child care assistance during employment.**

25.19 A. In addition to meeting other eligibility requirements, an employed person who
25.20 is eligible for child care assistance under part 3400.0060, 3400.0080, or 3400.0090 must
25.21 work at least an average of 20 hours per week and receive at least minimum wage for all
25.22 hours that the employed person works. An employed person who is eligible for child care
25.23 assistance under part 3400.0080 is exempt from this requirement if the person's work is an
25.24 authorized activity in an approved employment plan that allows fewer work hours or a lower
25.25 wage.

26.1 B. A CCAP agency and an applicant or participant must determine a length of
26.2 time, not to exceed the most recent six months, over which the number of hours that an
26.3 employed person works weekly is averaged and counted toward the applicant or participant
26.4 meeting the average of 20 hours per week requirement.

26.5 C. When a participant does not receive an hourly wage, the participant's earned
26.6 income over a given period must be divided by the minimum wage to determine whether
26.7 the participant has met the requirement to average at least 20 hours of work per week at
26.8 minimum wage.

26.9 D. A CCAP agency must authorize child care assistance during a parentally
26.10 responsible individual's employment for the number of hours that the individual is scheduled
26.11 to work, including break and meal time during the individual's employment, and up to two
26.12 hours per day for the individual's travel time.

26.13 E. An employed person must meet minimum work requirements under item A at
26.14 application, redetermination, or upon completing a job search. If a parentally responsible
26.15 individual's work hours decrease below 20 hours per week or if the parentally responsible
26.16 individual's wage drops below minimum wage during the 12-month eligibility period, the
26.17 parentally responsible individual's eligibility for child care assistance continues until
26.18 redetermination.

26.19 Subp. 9. **Child care assistance in support of employment.** A CCAP agency must
26.20 authorize child care assistance in support of employment for nonwork hours to an employed
26.21 person who is eligible for child care assistance under parts 3400.0060 and 3400.0090, and
26.22 an employed person who is eligible for child care assistance under part 3400.0080 without
26.23 an approved employment plan, when the following conditions exist:

26.24 A. the employee cannot reasonably modify the employee's nonwork schedule to
26.25 provide child care; and

27.1 B. the child care assistance does not exceed the amount of child care assistance
27.2 that would be granted under subpart 8, item D, during employment.

27.3 Subp. 10. **Child care assistance during education or training.** A CCAP agency
27.4 must provide child care assistance to a student who is eligible for child care assistance under
27.5 part 3400.0060, 3400.0080, or 3400.0090 and enrolled in a CCAP agency-approved education
27.6 or training program or employment plan according to items A to E.

27.7 A. A CCAP agency must authorize child care for a student who is eligible under
27.8 parts 3400.0060 and 3400.0090 as necessary for:

27.9 (1) all hours of actual class time and credit hours for independent study,
27.10 internships, and online courses;

27.11 (2) time periods between nonconsecutive classes;

27.12 (3) up to two hours per day for travel time; and

27.13 (4) two hours per week per credit hour for a postsecondary student to study
27.14 and attend academic appointments.

27.15 B. A CCAP agency must authorize child care for a student who is eligible for
27.16 child care assistance under part 3400.0080 according to an approved employment plan.

27.17 C. Child care assistance for basic or remedial classes is subject to CCAP agency
27.18 approval under subpart 12. Upon CCAP agency approval of a basic or remedial education
27.19 program, a CCAP agency must authorize the necessary child care assistance hours that
27.20 enable the student to attend classes and to complete class assignments.

27.21 D. If a family who is eligible for child care assistance under part 3400.0060 or
27.22 3400.0090 had an approved education plan with a CCAP agency and the family begins
27.23 receiving services from another CCAP agency, the education plan remains in effect until
27.24 the family's next redetermination or until the family requests a change. When another CCAP

28.1 agency redetermines the family's eligibility at redetermination, the student's education plan
28.2 is subject to the CCAP agency's approval, rejection, or modification.

28.3 E. A student taking a school break who is expected to return to school following
28.4 the break remains eligible for child care assistance during the school break. For 12-month
28.5 reporters, a CCAP agency must not reduce authorized child care hours or terminate child
28.6 care authorizations during school breaks. Notwithstanding item B, for schedule reporters,
28.7 a CCAP agency must:

28.8 (1) not reduce authorized child care hours or terminate child care
28.9 authorizations during a school break if the break is scheduled to last 15 calendar days or
28.10 less;

28.11 (2) suspend a family's eligibility if the family's only authorized activity is
28.12 education and the school break is scheduled to last more than 15 days; and

28.13 (3) reduce the number of authorized child care hours based on a family's other
28.14 authorized activities if the school break is scheduled to last more than 15 days.

28.15 Subp. 11. **Child care assistance during employment and during education or**
28.16 **training.**

28.17 A. Employed students, including students on work study programs, are eligible
28.18 for child care assistance during employment and education or training. A CCAP agency
28.19 must follow the standards in subparts 8 and 10 to determine the amount of child care
28.20 assistance hours to authorize.

28.21 B. At the time of application and redetermination, a full-time student who requests
28.22 child care during the student's employment must work an average of at least ten hours per
28.23 week for which the student receives minimum wage. A full-time student retains full-time
28.24 status during school breaks, including summers, if the student is expected to return to school
28.25 full time after the break.

29.1 C. At the time of application and redetermination, a part-time student who requests
29.2 child care during employment must work an average of at least 20 hours per week for which
29.3 the student receives minimum wage.

29.4 D. To determine whether an employed student meets the hourly minimum wage
29.5 requirement in this subpart, a CCAP agency must count the student's work-study hours and
29.6 income as employment.

29.7 E. A student who is eligible for child care assistance under part 3400.0080 is
29.8 exempt from the minimum hours per week requirement and the minimum wage requirement
29.9 if the student has an approved employment plan that allows fewer work hours or a lower
29.10 wage than the minimum otherwise required.

29.11 Subp. 12. **Acceptable course of study.** An acceptable course of study for a student
29.12 who is eligible for child care assistance under part 3400.0060 or 3400.0090 is an education
29.13 or training program approved by the CCAP agency according to the standards in the CCAP
29.14 agency's child care fund plan that will reasonably lead to full-time employment. An
29.15 acceptable course of study for a student who is eligible for child care assistance under part
29.16 3400.0080 is an approved education or training program described in the MFIP participant's
29.17 employment plan.

29.18 Subp. 13. **Satisfactory progress in education or training program.** Subject to the
29.19 limitation in subpart 14, a CCAP agency must provide child care assistance to a student
29.20 with an approved education or training program during the time of the student's education
29.21 or training program if the student is making satisfactory progress. Satisfactory progress in
29.22 the education or training program means that a student remains in good academic standing
29.23 as determined by the educational institution and meets the requirements of the student's
29.24 education plan under part 3400.0060 or 3400.0090, or employment plan under part
29.25 3400.0080. A CCAP agency must not terminate a student's approved education plan during
29.26 the 12-month eligibility period. At redetermination, if a CCAP agency receives

30.1 documentation from an educational institution demonstrating that a student is not making
30.2 satisfactory progress toward completion of an education or training program, the CCAP
30.3 agency must notify the student and terminate approval of the student's education plan with
30.4 a 15-day adverse action notice.

30.5 Subp. 14. **Maximum education or training under child care fund.** The maximum
30.6 length of time that a student is eligible for child care assistance under the child care fund
30.7 for education or training is described in items A to E.

30.8 A. A student eligible under part 3400.0060 is eligible for child care assistance
30.9 according to Minnesota Statutes, section 119B.10.

30.10 B. A student eligible under part 3400.0080 is eligible for child care assistance for
30.11 the length of time necessary to complete authorized activities in the student's employment
30.12 plan according to the standards in Minnesota Statutes, chapter 256J.

30.13 C. A student who is eligible under part 3400.0090 is eligible for child care
30.14 assistance according to Minnesota Statutes, section 119B.10.

30.15 D. A student who is eligible under part 3400.0060 or 3400.0090 who has completed
30.16 or who has participated in but failed to complete an education or training program under
30.17 the child care fund is eligible to receive child care assistance for a second education or
30.18 training program if:

30.19 (1) a CCAP agency approves of the new education or training program; and

30.20 (2) a CCAP agency expects that completing the program will lead to the
30.21 student's full-time employment.

30.22 E. A student who is eligible under part 3400.0060 or 3400.0090 with a
30.23 baccalaureate degree is only eligible to receive child care assistance for education or training
30.24 if the education or training is for continuing education units, certification, or coursework

31.1 that is related to the baccalaureate degree or current employment and that is necessary to
31.2 update credentials to obtain or retain employment.

31.3 Subp. 15. **Changes in education or training programs.** A proposed change in an
31.4 education or training program for a participant who is eligible for child care assistance under
31.5 parts 3400.0060 and 3400.0090 is subject to CCAP agency approval before the participant
31.6 makes the change. A CCAP agency must describe the approval policy for a participant's
31.7 change to an education or training program in the CCAP agency's child care fund plan. A
31.8 CCAP agency must not deny a request for a change in an education or training program
31.9 when the student requesting the change demonstrates that changing a course or focus of
31.10 study is necessary for reasons related to the health and safety of the student.

31.11 Subp. 15a. **Child care assistance during job search.**

31.12 A. A CCAP agency must provide child care assistance to an applicant or participant
31.13 at application and redetermination for job search activities as required by Minnesota Statutes,
31.14 section 119B.10, subdivision 1, and for no more than 40 hours in a service period if the
31.15 applicant or participant is:

31.16 (1) eligible under part 3400.0080 and does not have an approved employment
31.17 plan;

31.18 (2) eligible under part 3400.0080 and has an approved employment plan that
31.19 does not include a job search as an authorized activity;

31.20 (3) eligible under part 3400.0090 and is seeking employment; or

31.21 (4) eligible under part 3400.0060 and is seeking employment.

31.22 B. For an applicant or a participant who is eligible under part 3400.0080 with an
31.23 employment plan that includes a job search as an authorized activity, a CCAP agency must
31.24 provide child care assistance to the applicant or participant for job search activities for the

32.1 number of hours in the applicant's or participant's approved employment plan for job search
32.2 activities.

32.3 C. A CCAP agency must not authorize a job search in combination with any other
32.4 activity for an applicant or a participant who is eligible under item A.

32.5 *[For text of item D, see Minnesota Rules]*

32.6 Subp. 16. [Repealed, 26 SR 253]

32.7 Subp. 17. **Temporary ineligibility for participants.** A CCAP agency must reserve
32.8 a family's position under the child care fund if a family has been receiving child care
32.9 assistance but is temporarily ineligible for assistance. A child care assistance participant
32.10 who is a student may be temporarily ineligible for a maximum of one academic quarter or
32.11 semester as determined by the student's academic calendar at the educational institution.
32.12 Any other participant, including an employed participant, may be temporarily ineligible for
32.13 a maximum of 90 days. A CCAP agency must place a family in temporary ineligibility
32.14 when:

32.15 A. a family meets all eligibility requirements at redetermination in Minnesota
32.16 Statutes, sections 119B.09 and 119B.10, but is on an unverified temporary break from the
32.17 family's authorized activity. To end a family's temporary ineligibility, a parentally responsible
32.18 individual must meet and verify the minimum authorized activity requirements in Minnesota
32.19 Statutes, section 119B.10;

32.20 B. a family is ineligible for child care assistance due to increased income from
32.21 active military service as provided in Minnesota Statutes, section 119B.09, subdivision 4a;
32.22 or

32.23 C. a family is eligible under Minnesota Statutes, section 119B.025, subdivision
32.24 1, paragraph (c), but has not submitted a verification of eligibility within the time frame
32.25 required by Minnesota Statutes, section 119B.025, subdivision 1, paragraph (d).

33.1 Subp. 17a. **Authorization after temporary ineligibility.**

33.2 A. If a family in temporary ineligibility becomes eligible for child care assistance,
33.3 the family's eligibility begins on the date that the family meets all eligibility requirements.
33.4 For a family that is eligible for child care assistance under Minnesota Statutes, section
33.5 119B.025, subdivision 1, paragraph (c), the family's eligibility begins retroactively from
33.6 the date that temporary ineligibility began, or on the date that the family began participating
33.7 in an authorized activity, whichever is later.

33.8 B. If a schedule reporter in temporary ineligibility becomes eligible for child care
33.9 assistance, a CCAP agency must authorize child care based on the parentally responsible
33.10 individual's verified activity schedule.

33.11 C. If a 12-month reporter in temporary ineligibility becomes eligible for child
33.12 care assistance during the 12-month eligibility period, a CCAP agency must authorize the
33.13 same amount of child care that the family received before the family became temporarily
33.14 ineligible, unless the family requests less child care or the family verifies that the family
33.15 needs more child care. If a 12-month reporter who is temporarily ineligible becomes eligible
33.16 when a CCAP agency approves the 12-month reporter's redetermination, the CCAP agency
33.17 must authorize child care based on the amount of child care that the family needs and the
33.18 verification that the family provides at redetermination. If a CCAP agency determines that
33.19 a 12-month reporter is temporarily ineligible at redetermination and on a different date the
33.20 12-month reporter becomes eligible, a CCAP agency must authorize child care based on
33.21 the amount of child care that the 12-month reporter needed and verified at the time that the
33.22 family was no longer temporarily ineligible.

33.23 Subp. 17b. **Temporary ineligibility of family on waiting list.** A CCAP agency must
33.24 reserve a family's position under the child care fund for up to 90 days if a family reaches
33.25 the top of the basic sliding fee waiting list but is temporarily ineligible for child care
33.26 assistance. In a CCAP agency's child care fund plan, the CCAP agency must specify whether

34.1 the agency reserves positions under the child care fund longer than 90 days for temporarily
34.2 ineligible families who reach the top of the basic sliding fee waiting list and, if so, the
34.3 amount of additional time that the CCAP agency will reserve a family's position and the
34.4 conditions under which the CCAP agency will reserve a family's position longer than 90
34.5 days.

34.6 Subp. 18. **Suspension.**

34.7 A. A CCAP agency must suspend and not terminate a family's eligibility for child
34.8 care assistance for up to one continuous year if:

34.9 (1) there are temporary breaks when the family does not need child care
34.10 assistance;

34.11 (2) the CCAP agency is unable to authorize child care due to missing schedule
34.12 verifications; or

34.13 (3) the family does not have an eligible child care provider.

34.14 B. A CCAP agency must not decrease a 12-month reporter's authorized child care
34.15 during the 12-month eligibility period if there is a temporary break or a change in the
34.16 parentally responsible individual's employment, education and training, or employment
34.17 plan activity, unless the 12-month reporter requests a reduction in authorized child care
34.18 hours or requests that the CCAP agency suspend child care.

34.19 C. A CCAP agency must end a schedule reporter's authorization and suspend the
34.20 schedule reporter's eligibility if there is a temporary break in the schedule reporter's
34.21 employment, education or training, or employment plan activity and the parentally
34.22 responsible individual has no other authorized activity, unless the parentally responsible
34.23 individual meets the criteria in part 3400.0110, subpart 10.

35.1 Subp. 18a. **Authorization after suspension.**

35.2 A. If a schedule reporter is no longer suspended, a CCAP agency must authorize
35.3 the schedule reporter's child care based on the parentally responsible individual's verified
35.4 activity schedule.

35.5 B. If a 12-month reporter is no longer suspended during the 12-month eligibility
35.6 period, a CCAP agency must authorize the same amount of child care that the 12-month
35.7 reporter received before the 12-month reporter's suspension, unless the 12-month reporter
35.8 requests less child care or the 12-month reporter verifies that the 12-month reporter needs
35.9 more child care. If a 12-month reporter is no longer suspended when a CCAP agency
35.10 approves the 12-month reporter's child care at redetermination, a CCAP agency must
35.11 authorize the 12-month reporter's child care based on the amount of child care that the
35.12 12-month reporter needs and the verification that the 12-month reporter provides at
35.13 redetermination. If a 12-month reporter is suspended at redetermination and on another date,
35.14 becomes eligible, a CCAP agency must authorize the 12-month reporter's child care based
35.15 on the amount of child care that the 12-month reporter needs and that the 12-month reporter
35.16 verifies at the time that the 12-month reporter becomes eligible.

35.17 **3400.0060 BASIC SLIDING FEE PROGRAM.**

35.18 Subpart 1. [Repealed, 26 SR 253]

35.19 Subp. 2. **Basic sliding fee allocation.** The commissioner must allocate money from
35.20 the child care fund for the basic sliding fee program as provided in Minnesota Statutes,
35.21 section 119B.03, subdivisions 6 to 9. By July 1 of each year, the commissioner must notify
35.22 all county, Tribal, and human services boards of their allocations under the basic sliding
35.23 fee program, including the amount available for payment of administrative expenses.

35.24 Subp. 3. [Repealed, 26 SR 253]

36.1 Subp. 4. **Reallocation of unexpended or unencumbered funds.** The commissioner
36.2 must reallocate unexpended or unencumbered funds according to items A to D.

36.3 A. The commissioner may reallocate unexpended or unencumbered funds following
36.4 the first, second, and third quarters of the allocation period as provided in Minnesota Statutes,
36.5 section 119B.03, subdivision 5. Following the fourth quarter of the allocation period, the
36.6 commissioner must review county and Tribal expenditures under the basic sliding fee
36.7 program and must reallocate unearned allocations to counties and Tribes that had direct
36.8 service earnings in excess of their allocation.

36.9 B. The amount reallocated to any county or Tribe must be based on direct service
36.10 earnings in excess of its allocation. The amount reallocated must not be greater than the
36.11 direct service earnings in excess of allocation minus the county's or Tribe's fixed local match
36.12 to be calculated as specified in Minnesota Statutes, section 119B.11, subdivision 1.

36.13 C. If the amount of funds available for reallocation is less than total county or
36.14 Tribe direct service earnings in excess of allocations, the reallocated funds must be prorated
36.15 to each county and Tribe based on the ratio of the county's or Tribe's direct service earnings
36.16 in excess of its allocation to the total of all county and Tribal direct service earnings in
36.17 excess of their allocation.

36.18 D. If the amount of funds available for reallocation is greater than total county or
36.19 Tribe direct service earnings in excess of allocations under the basic sliding fee program,
36.20 the funds remaining after the basic sliding fee reallocation must be carried forward and
36.21 added to the funds available for allocation in the next allocation period.

36.22 Subp. 5. **Families eligible for assistance under the basic sliding fee program.** To
36.23 the extent of available allocations, an applicant is eligible for child care assistance under
36.24 the basic sliding fee program if:

36.25 *[For text of items A to C, see Minnesota Rules]*

37.1 Subp. 6. [See repealer.]

37.2 Subp. 6a. [See repealer.]

37.3 Subp. 7. [See repealer.]

37.4 Subp. 8. [See repealer.]

37.5 Subp. 9. **Child care responsibility when family moves.**

37.6 A. When a family receiving child care assistance from the basic sliding fee program
37.7 moves to a new county or moves to an area served by a Tribal CCAP agency in Minnesota,
37.8 the original county or Tribal CCAP agency must continue to provide child care assistance
37.9 to a family for two full calendar months after the family's move if the family needs child
37.10 care and remains eligible for the basic sliding fee program. Before a family transfers to a
37.11 Tribal CCAP agency, the family must meet the Tribal CCAP agency's criteria for families
37.12 that the Tribal CCAP agency serves. The limitation in Minnesota Statutes, section 119B.09,
37.13 subdivision 1, paragraph (a), clause (2), regarding the family's household income at program
37.14 entry does not apply when a family receiving assistance moves to another county or moves
37.15 to an area served by a Tribal CCAP agency and continues receiving assistance from the
37.16 new county or Tribal CCAP agency.

37.17 B. If there is a waiting list for the basic sliding fee program in the receiving county
37.18 or Tribal CCAP agency when the county or Tribal CCAP agency assumes responsibility
37.19 for the family after two full calendar months following the family's move, the receiving
37.20 county or Tribal CCAP agency must fund child care assistance for the family through the
37.21 portability pool while the family remains eligible. An eligible family must continue to
37.22 receive child care assistance through the portability pool until the family is able to receive
37.23 child care assistance through the receiving county's or Tribe's basic sliding fee program.

37.24 C. If there is no waiting list for the basic sliding fee program and funds are
37.25 available, the receiving county or Tribal CCAP agency must immediately move the family

38.1 into the county's or agency's basic sliding fee program when the county or agency assumes
38.2 responsibility for the family after two full calendar months following the family's move
38.3 according to Minnesota Statutes, section 256G.07, subdivision 1.

38.4 **Subp. 10. Continued eligibility under basic sliding fee program.** A CCAP agency
38.5 must not refuse to provide continued child care assistance to a family receiving assistance
38.6 through the basic sliding fee program when there is a change in the family's financial or
38.7 household status as long as the family continues to meet the eligibility requirements in this
38.8 part and the general eligibility requirements in part 3400.0040. Except for the job search
38.9 time limit under Minnesota Statutes, section 119B.10, subdivision 1, paragraph (a); the
38.10 education time limit in Minnesota Statutes, section 119B.10, subdivision 3, paragraph (b);
38.11 the extended eligibility period in Minnesota Statutes, section 119B.105; and the time limit
38.12 to submit proof of eligibility under Minnesota Statutes, section 119B.025, subdivision 1,
38.13 paragraph (d), a CCAP agency must not set a time limit for eligibility under the basic sliding
38.14 fee program.

38.15 **3400.0065 BASIC SLIDING FEE WAITING LIST.**

38.16 **Subpart 1. Basic sliding fee program waiting lists.** When a family inquires about or
38.17 applies for child care assistance and basic sliding fee funding is not immediately available,
38.18 a CCAP agency must perform a preliminary determination of the family's eligibility. A
38.19 CCAP agency must not request or require a family to submit verifications during the
38.20 preliminary determination of eligibility. If a CCAP agency determines that a family is or
38.21 will likely be eligible for child care assistance and funding is not immediately available,
38.22 the CCAP agency must place the family on a waiting list. A CCAP agency must determine
38.23 the highest priority group for which a family qualifies and must notify the family of this
38.24 determination. A CCAP agency must keep a written record identifying each family that the
38.25 CCAP agency places on the child care waiting list.

39.1 Subp. 2. **Waiting list dates.** Based on the funding priorities in Minnesota Statutes,
39.2 section 119B.03, subdivision 4, a CCAP agency must add a family to the basic sliding fee
39.3 program waiting list on the dates in items A to D.

39.4 A. A CCAP agency must add a family in priority group one or four to the basic
39.5 sliding fee program waiting list on the date that the family makes the child care assistance
39.6 request.

39.7 B. A CCAP agency must add a family in priority group two to the basic sliding
39.8 fee program waiting list on the date that the family begins a transition year under part
39.9 3400.0090.

39.10 C. A CCAP agency must add a family in priority group three to the basic sliding
39.11 fee program waiting list on the date that the family moves to a receiving county or moves
39.12 to an area served by a Tribal CCAP agency.

39.13 D. A CCAP agency must add any other family who will likely be eligible under
39.14 Minnesota Statutes, section 119B.03, subdivision 3, to the basic sliding fee program waiting
39.15 list on the date that the participant makes the child care assistance request.

39.16 Subp. 3. **Temporarily ineligible family on basic sliding fee waiting list.** When a
39.17 family inquires about or applies for child care assistance while the family is temporarily
39.18 ineligible, a CCAP agency must place the family on the waiting list if it is likely the family
39.19 will be eligible for child care assistance. When a family reaches the top of the CCAP agency's
39.20 waiting list and is temporarily ineligible for child care assistance, a CCAP agency must
39.21 follow the procedures in part 3400.0040, subpart 17b.

39.22 Subp. 4. **Transfer of family from waiting list to basic sliding fee program.** A CCAP
39.23 agency must move a family on the basic sliding fee waiting list to the basic sliding fee
39.24 program as funding permits according to the priorities listed in Minnesota Statutes, section
39.25 119B.03, subdivision 4. After a CCAP agency has complied with the priority requirements

40.1 in section 119B.03, subdivision 4, the CCAP agency must comply with any priority
40.2 requirements that the CCAP agency adopts under part 3400.0140, subpart 10, to move a
40.3 family on the waiting list to the basic sliding fee program.

40.4 **Subp. 5. Transfer of transition year family to basic sliding fee program.**

40.5 A. If a transition year family under part 3400.0090 moves to another county or
40.6 moves to an area served by a Tribal CCAP agency, the date that the original county or Tribal
40.7 CCAP agency placed the family on the basic sliding fee waiting list must transfer with the
40.8 family to the receiving county or Tribal CCAP agency.

40.9 B. A family who is eligible for, but does not use, transition year child care
40.10 assistance retains the family's priority status for the basic sliding fee program. A family
40.11 loses priority status at the conclusion of the transition year.

40.12 C. A county or Tribal CCAP agency must manage the county's or Tribal CCAP
40.13 agency's basic sliding fee allocation to allow a family to move from a transition year to the
40.14 basic sliding fee program without any interruption in child care. A CCAP agency must not
40.15 serve a family under the basic sliding fee program who is a lower priority on the basic
40.16 sliding fee waiting list than a transition year family unless the CCAP agency ensures that
40.17 there is basic sliding fee program funding for the transition year family at the end of the
40.18 family's transition year.

40.19 D. When a transition year ends, a CCAP agency must move a transition year
40.20 family into the basic sliding fee program. A transition year family that does not reach the
40.21 top of the CCAP agency's basic sliding fee program waiting list before completing a transition
40.22 year is eligible to continue receiving transition year extension child care assistance under
40.23 part 3400.0090, subpart 10. A CCAP agency must move a family receiving transition year
40.24 extension child care assistance into the basic sliding fee program as funding becomes
40.25 available according to the priorities in Minnesota Statutes, section 119B.03, subdivision 4.

41.1 Subp. 6. **Removal of family from waiting list.** If a family receives transition year
41.2 extension child care assistance or portability pool child care assistance, or is a student parent
41.3 as defined in part 3400.0020, subpart 39a, receiving MFIP child care, and the family is no
41.4 longer eligible for child care assistance, a CCAP agency must remove the family from the
41.5 basic sliding fee waiting list. If a family reapplies for child care assistance in a county or
41.6 with a Tribal CCAP agency with a waiting list, the family is subject to the waiting list
41.7 according to the priorities in Minnesota Statutes, section 119B.03. A family who loses
41.8 eligibility for child care assistance while receiving a transition year extension is no longer
41.9 eligible for second priority on the basic sliding fee waiting list.

41.10 **3400.0080 MFIP CHILD CARE PROGRAM.**

41.11 *[For text of subpart 1, see Minnesota Rules]*

41.12 Subp. 1a. **Eligibility and authorization of sanctioned MFIP participant.**

41.13 A. At the time of application and redetermination, a 12-month reporter or schedule
41.14 reporter who has been sanctioned under the MFIP program is eligible to receive child care
41.15 assistance as allowed by part 3400.0110, subpart 3, item A.

41.16 B. A 12-month reporter receiving child care assistance who has been sanctioned
41.17 under the MFIP program is eligible to receive child care assistance as allowed under parts
41.18 3400.0110, subpart 3, item C, and 3400.0175.

41.19 C. A schedule reporter who receives child care assistance and has been sanctioned
41.20 under the MFIP program is eligible to receive child care assistance as allowed by parts
41.21 3400.0110, subpart 3, item D, and 3400.0175.

41.22 Subp. 1b. **Child care assistance for approved job search.** A MFIP participant who
41.23 has an approved employment plan that includes a job search as an authorized activity is not
41.24 limited to the job search time frame in Minnesota Statutes, section 119B.10, subdivision 1.

41.25 Subp. 2. [Repealed, 26 SR 253]

42.1 Subp. 3. [Repealed, 26 SR 253]

42.2 Subp. 4. [Repealed, 26 SR 253]

42.3 Subp. 5. [Repealed, 26 SR 253]

42.4 Subp. 6. [Repealed, 26 SR 253]

42.5 Subp. 7. [Repealed, 26 SR 253]

42.6 Subp. 8. **Child care responsibility when a family moves.** When a MFIP or DWP
42.7 participant moves to another county or an area served by a Tribal CCAP agency and the
42.8 receiving county or Tribal CCAP agency accepts responsibility for the participant's approved
42.9 employment plan under Minnesota Statutes, section 256J.55, subdivision 3, the receiving
42.10 county or Tribal CCAP agency is responsible for providing child care assistance to the
42.11 MFIP or DWP participant effective on the date that the county or Tribal CCAP agency
42.12 accepted responsibility for the employment plan. In all other cases, a county or Tribal CCAP
42.13 agency must provide child care assistance according to Minnesota Statutes, section 256G.07,
42.14 subdivisions 1, 3, and 4, when a MFIP or DWP participant moves to another county or an
42.15 area served by a Tribal CCAP agency. A family must meet a Tribal CCAP agency's criteria
42.16 for families that the Tribal CCAP agency serves for the Tribal CCAP agency to provide
42.17 child care assistance to the family.

42.18 **3400.0090 TRANSITION YEAR CHILD CARE.**

42.19 Subpart 1. **Notice to family of eligibility.** At the time that a family's MFIP or DWP
42.20 case closes, the county or Tribal agency serving the family's MFIP or DWP case must send
42.21 the family written notice of the family's potential eligibility for transition year child care.

42.22 Subp. 2. **Eligibility.**

42.23 A. A family must only use transition year child care assistance to support
42.24 employment, a job search, and an approved education or training program that meets the

43.1 requirements in Minnesota Statutes, section 119B.10. A family is eligible for transition year
43.2 child care if the family meets the conditions in subitems (1) to (4).

43.3 (1) The family's MFIP or DWP case has closed.

43.4 (2) At least one caregiver in the family received MFIP or DWP in at least
43.5 one of the six months immediately preceding the month in which the family's MFIP or DWP
43.6 case was closed.

43.7 (3) The family meets the income eligibility requirements specified in
43.8 Minnesota Statutes, section 119B.09, subdivision 1.

43.9 (4) The child meets the definition of a family under Minnesota Statutes,
43.10 section 119B.011, subdivision 13; or the child received, or would have been eligible to
43.11 receive, an MFIP or DWP grant.

43.12 B. A family becomes eligible for transition year child care on the date that the
43.13 family's MFIP or DWP case closes and continues to be eligible for 12 consecutive months.
43.14 A family's temporary ineligibility for, suspension of, or failure to use child care assistance
43.15 during the transition year does not suspend the transition year period.

43.16 C. A former MFIP or DWP participant may apply for transition year child care
43.17 at any time during the transition year and, notwithstanding the application date, must receive
43.18 retroactive transition year child care assistance according to Minnesota Statutes, section
43.19 119B.09, subdivision 7.

43.20 D. If a family was receiving child care assistance when the family's MFIP or DWP
43.21 case closed, the family's child care assistance continues until the next redetermination as
43.22 long as the family meets the transition year eligibility criteria in item A.

44.1 Subp. 3. **Loss of transition year child care eligibility.**

44.2 A. A family in which all caregivers have been disqualified from receiving MFIP
44.3 or DWP due to fraud is not eligible for transition year child care assistance.

44.4 B. A county or Tribal CCAP agency must end a family's transition year child care
44.5 assistance if the family meets one or more conditions for termination under part 3400.0183,
44.6 subpart 2.

44.7 Subp. 4. **Reestablishment of MFIP or DWP eligibility during transition year**
44.8 **period.** If a transition year family reopens the family's MFIP or DWP case during the
44.9 transition year period and subsequently meets the conditions in subpart 2, the family qualifies
44.10 for a new 12-month transition year period. A family who receives one month of MFIP or
44.11 DWP assistance and who meets the other conditions in subpart 2 is eligible for another
44.12 12-month transition year period. To receive child care assistance while receiving MFIP or
44.13 DWP, a family must meet the MFIP child care requirements under part 3400.0080.

44.14 Subp. 5. [Repealed, 26 SR 253]

44.15 Subp. 6. [Repealed, 26 SR 253]

44.16 Subp. 7. [Repealed, 33 SR 695]

44.17 Subp. 8. [Repealed, 26 SR 253]

44.18 Subp. 9. [Repealed, 26 SR 253]

44.19 Subp. 10. **Transition year extension.**

44.20 A. A family must only use transition year extension child care assistance to support
44.21 employment, a job search, and an approved education and training program that meets the
44.22 requirements in Minnesota Statutes, section 119B.10.

45.1 B. A family that meets the requirements of Minnesota Statutes, section 119B.011,
45.2 subdivision 20a, and all other applicable child care assistance eligibility requirements is
45.3 eligible for transition year extension child care assistance.

45.4 C. A family's transition year extension child care assistance begins after the
45.5 conclusion of 12 consecutive months of the family's transition year. Child care assistance
45.6 continues for a family as long as the family continues to meet child care assistance eligibility
45.7 requirements.

45.8 D. A family's transition year extension child care assistance continues until:

45.9 (1) basic sliding fee child care assistance funding becomes available;

45.10 (2) the family starts receiving MFIP or DWP assistance; or

45.11 (3) the family no longer meets child care assistance eligibility requirements.

45.12 E. A CCAP agency considers a family a new applicant when the family requests
45.13 child care assistance after a transition year extension ends.

45.14 **3400.0100 COPAYMENTS AND COPAYMENT SCHEDULES.**

45.15 Subpart 1. [Repealed, 30 SR 1318]

45.16 Subp. 2. [Repealed, 26 SR 253]

45.17 Subp. 2a. **Copayments prorated during initial service period.** A CCAP agency
45.18 must prorate a copayment during the service period when a family first receives service
45.19 based on the number of calendar days remaining in the service period.

45.20 Subp. 2b. [See repealer.]

45.21 Subp. 2c. [See repealer.]

45.22 Subp. 3. [Repealed, 30 SR 1318]

45.23 Subp. 3a. [Repealed, 30 SR 1318]

46.1 Subp. 4. [Repealed, 30 SR 1318]

46.2 Subp. 5. **Update and publication of copayment schedule.** Under Minnesota Statutes,
46.3 section 119B.12, the updated fee copayment schedule must take effect within three months
46.4 of the date that the state median income and federal poverty guidelines become publicly
46.5 available. The commissioner must publish and make the updated copayment schedule
46.6 electronically available to each CCAP agency.

46.7 **3400.0110 CHILD CARE ASSISTANCE AUTHORIZATIONS AND PAYMENTS.**

46.8 Subpart 1. **Use of money from child care fund.** A CCAP agency must issue child
46.9 care assistance payments for eligible families to eligible child care providers under part
46.10 3400.0120, subpart 1, from the child care fund.

46.11 Subp. 1a. **Date of payments.** After a CCAP agency approves of a family's application
46.12 for child care assistance, the CCAP agency must authorize payment of child care assistance
46.13 to an eligible child care provider under part 3400.0120 beginning on the family's date of
46.14 eligibility as determined under part 3400.0040, subpart 6c.

46.15 Subp. 2. **Payment of legal nonlicensed child care provider.** After a legal nonlicensed
46.16 child care provider is registered as a child care provider and eligible for child care assistance
46.17 under part 3400.0120, a CCAP agency must pay the child care provider retroactively from
46.18 the date in item A, B, C, or D, whichever is later:

46.19 A. the date that a CCAP agency authorizes child care to begin for a family that
46.20 the legal nonlicensed child care provider serves;

46.21 B. the date that a family that the legal nonlicensed child care provider serves
46.22 became eligible for child care under part 3400.0040, subpart 6c;

46.23 C. the date that a family began using the legal nonlicensed child care provider;

46.24 or

47.1 D. the date that the legal nonlicensed child care provider completed training
47.2 required by part 3400.0120, subpart 6, and Minnesota Statutes, section 119B.125, subdivision
47.3 1b.

47.4 Subp. 2a. [See repealer.]

47.5 Subp. 2b. **Payment of certified license-exempt child care centers.** After a
47.6 license-exempt child care center is certified under Minnesota Statutes, chapter 245H,
47.7 registered, and eligible under part 3400.0120, subpart 1, a CCAP agency must pay the
47.8 license-exempt child care center retroactively from the date in item A or B, whichever is
47.9 later:

47.10 A. the date that a CCAP agency authorizes child care for a family to begin for a
47.11 family that the certified license-exempt child care center serves; or

47.12 B. the date that a family that the certified license-exempt child care center serves
47.13 became eligible for child care under part 3400.0040, subpart 6c.

47.14 Subp. 3. **Authorization of child care.** Within the limits set by this chapter and
47.15 Minnesota Statutes, chapter 119B, the amount of child care that a CCAP agency authorizes
47.16 must reflect the child care needs of the family and minimize out-of-pocket child care costs
47.17 to the family according to items A to H.

47.18 A. At the time of application and redetermination, a CCAP agency must authorize
47.19 child care based on the requirements in Minnesota Statutes, section 119B.095, and based
47.20 on the parentally responsible individual's schedule of participation in authorized activities,
47.21 the child's school schedule, the child care provider's availability, and any other factors that
47.22 affect the amount of child care that the family needs.

47.23 B. A CCAP agency must not authorize more than 120 hours of child care assistance
47.24 per child every two weeks, except as provided under subparts 3a and 3b.

48.1 C. A CCAP agency must not decrease the amount of a 12-month reporter's
48.2 authorized child care during the 12-month eligibility period due to a temporary break or a
48.3 change in the parentally responsible individual's employment, education and training, or
48.4 employment plan activity, unless the 12-month reporter requests a reduction in authorized
48.5 hours or requests that the CCAP agency suspend the 12-month reporter's child care under
48.6 part 3400.0040, subpart 18. Temporary breaks or changes include circumstances such as:

48.7 (1) medical leave;

48.8 (2) seasonal employment fluctuations;

48.9 (3) a school break between semesters; or

48.10 (4) a reduction in the parentally responsible individual's work, training, or
48.11 education hours while the parentally responsible individual is still engaged in the activity.

48.12 D. A CCAP agency must authorize child care during the 12-month eligibility
48.13 period for a schedule reporter based on the parentally responsible individual's activity
48.14 schedule. A CCAP agency must decrease the number of a schedule reporter's authorized
48.15 hours when there is a change in the parentally responsible individual's employment, education
48.16 and training, or employment plan activity and as a result of the change, the schedule reporter
48.17 needs fewer hours of child care. A CCAP agency must terminate a child care authorization
48.18 when there is a temporary break in the parentally responsible individual's employment,
48.19 education and training, or employment plan activity and the parentally responsible individual
48.20 has no other authorized activity, unless the parentally responsible individual meets the
48.21 criteria in subpart 10 or part 3400.0040, subpart 10, item E, subitem (1). Temporary breaks
48.22 include circumstances such as:

48.23 (1) a medical leave;

48.24 (2) seasonal employment fluctuations; and

48.25 (3) a school break between semesters.

49.1 E. If a parentally responsible individual experiences a permanent end of the
 49.2 parentally responsible individual's only authorized activity under part 3400.0175, a CCAP
 49.3 agency must authorize the same amount of child care for the family as the family received
 49.4 before the permanent end of the authorized activity for up to three months or until the
 49.5 family's next redetermination, whichever is sooner.

49.6 F. A CCAP agency must terminate a child's child care authorization on the child's
 49.7 birthday when the child reaches 13 years of age or the child has a disability and reaches 15
 49.8 years of age. A family remains eligible until redetermination under Minnesota Statutes,
 49.9 section 119B.09, subdivision 1, paragraph (e). If continued child care is necessary, the
 49.10 parentally responsible individual must request a CCAP agency to authorize child care. For
 49.11 12-month reporters, a CCAP agency must authorize the same amount of child care under
 49.12 this item as the family received before the child's birthday, unless the parentally responsible
 49.13 individual verifies that the family needs additional child care hours or requests fewer child
 49.14 care hours. For schedule reporters, a CCAP agency must authorize child care under this
 49.15 item based on the parentally responsible individual's verified activity schedule. If the child
 49.16 is attending a licensed child care center, the child care provider must have a variance under
 49.17 chapter 9503 for a CCAP agency to authorize child care for the child.

49.18 G. A CCAP agency must authorize 100 hours of child care biweekly for a child
 49.19 when the child, the parentally responsible individual's authorized activity, and the child's
 49.20 child care provider meet the criteria in Minnesota Statutes, section 119B.13, subdivision
 49.21 3c, unless the family chooses to have fewer hours authorized.

49.22 H. A CCAP agency must limit the amount of child care that the CCAP agency
 49.23 authorizes with a secondary child care provider as provided in Minnesota Statutes, section
 49.24 119B.097.

49.25 Subp. 3a. **Authorization during change in child care provider.** A CCAP agency
 49.26 must not authorize more than 120 hours of child care per child during each service period,

50.1 except during a change in child care provider. Before authorizing a child's care with a new
50.2 child care provider, a CCAP agency must give the previous child care provider proper notice
50.3 under part 3400.0185, subpart 13. A CCAP agency is allowed to authorize child care with
50.4 a new child care provider before the CCAP agency terminates the child care authorization
50.5 of the previous child care provider if:

50.6 A. child care is no longer available with the previous child care provider;

50.7 B. the previous child care provider notifies the CCAP agency that the child care
50.8 provider will not bill for child care during the 15-day adverse action period; or

50.9 C. the child is no longer receiving child care from the previous child care provider
50.10 and the child has reached the absent day limit under Minnesota Statutes, section 119B.13,
50.11 subdivision 7.

50.12 Subp. 3b. **Authorization of child care with back-up child care provider.** When the
50.13 child's usual child care provider is unavailable, the family may request that a CCAP agency
50.14 authorize child care with a back-up child care provider for a maximum of the entire time
50.15 period that the child's usual child care provider is unavailable.

50.16 Subp. 3c. **Authorization of children of child care center employee.**

50.17 A. When a CCAP agency authorizes child care in excess of the limit of children
50.18 of child care center employees in Minnesota Statutes, section 119B.09, subdivision 9a, the
50.19 CCAP agency must issue a 15-day adverse action notice and terminate the authorization of
50.20 any child in excess of the limit. The CCAP agency must terminate the authorization of the
50.21 child or children whose child care was most recently authorized until there are no
50.22 authorizations in excess of the limit.

50.23 B. If a parentally responsible individual becomes a child care center employee at
50.24 the same child care center where the individual's child is authorized to receive child care
50.25 and the child care center exceeds the limit of children of child care center employees in

51.1 Minnesota Statutes, section 119B.09, subdivision 9a, the CCAP agency must issue a 15-day
51.2 adverse action notice and terminate authorization of the individual's child.

51.3 **Subp. 3d. Child care payment.**

51.4 A. A CCAP agency must pay a child care provider's full charge up to the applicable
51.5 maximum rate, less the copayment, for all authorized hours of child care for a child.

51.6 B. A CCAP agency must not pay for more than 120 hours of child care assistance
51.7 per child per service period. The 120-hour payment limit applies during a change in child
51.8 care provider under subparts 3a and 3b.

51.9 C. Except as provided under subpart 8, a CCAP agency must not pay for the care
51.10 of a child by more than one child care provider during the same period of time. If a child
51.11 uses two child care providers under Minnesota Statutes, section 119B.097, the payment
51.12 limits in Minnesota Statutes, section 119B.13, subdivision 1, apply. A CCAP agency must
51.13 not pay more than one primary child care provider for care of a child on the same day and
51.14 must not pay more than one secondary child care provider on the same day.

51.15 D. All hourly rates that a CCAP agency pays to a legal nonlicensed child care
51.16 provider count toward the 120-hour limit.

51.17 E. A CCAP agency must follow the standards in subitems (1) and (2) to convert
51.18 child care that a CCAP agency pays on a full-day or weekly basis into hours to determine
51.19 if a payment exceeds 120 hours of child care assistance per service period for licensed and
51.20 certified license-exempt child care providers.

51.21 (1) Payment at the daily maximum rate is equal to ten hours of child care.

51.22 (2) Payment at the weekly maximum rate is equal to 50 hours of child care.

51.23 Subp. 4. [Repealed, 33 SR 695]

52.1 Subp. 4a. **Reimbursement from other sources for child care costs.** A CCAP agency
52.2 must reduce the amount of a family's child care assistance payment by the amount of
52.3 reimbursement earmarked for the same child care expenses that the family receives from
52.4 sources other than the child care fund. A CCAP agency must not reduce the amount of a
52.5 family's child care assistance payments when another source pays for different child care
52.6 expenses, such as copayments, differences between the applicable maximum rate and the
52.7 child care provider's charge, or time periods that are not authorized under the child care
52.8 fund.

52.9 Subp. 5. [Repealed, 26 SR 253]

52.10 Subp. 6. [Repealed, 26 SR 253]

52.11 Subp. 7. **Payment policies and schedule.** A CCAP agency must not require a
52.12 parentally responsible individual to pay a child care provider in advance of receiving
52.13 payments from the child care fund. A CCAP agency must make child care assistance
52.14 payments within 21 days of receiving a complete bill from a child care provider. A complete
52.15 bill must include a child care provider's signature, unless the bill meets the good cause
52.16 criteria defined in the CCAP agency's child care fund plan. A CCAP agency must send a
52.17 child care provider the forms necessary to bill for payment on or before the beginning of
52.18 the billing cycle if the CCAP agency has authorized child care before this date.

52.19 Subp. 8. **Sick child care.**

52.20 A. Sick child care means that a child is unable to receive child care from the
52.21 family's regular child care provider due to the child's illness. In addition to making payments
52.22 for regular child care, a CCAP agency may make payments to a second child care provider
52.23 that provides sick child care. A CCAP agency must include the CCAP agency's policy to
52.24 make payments to two child care providers when a child is sick in the CCAP agency's child
52.25 care fund plan.

53.1 B. If a CCAP agency chooses to pay a special needs rate for the care of a sick
53.2 child, payment for sick child care must be at a rate comparable to like care arrangements
53.3 in the county. A CCAP agency must include the CCAP agency's special needs rate for child
53.4 care of sick children in the CCAP agency's child care fund plan.

53.5 Subp. 9. **Payment during child absences and holidays.**

53.6 A. If a child care provider does not charge all families for days on which a child
53.7 is absent from child care, the child care assistance program must not pay the child care
53.8 provider for days on which a child is absent from care.

53.9 B. If a child care provider charges all families for days on which a child is absent
53.10 from child care, the child care assistance program must pay the child care provider for child
53.11 absent days according to Minnesota Statutes, section 119B.13, subdivision 7.

53.12 C. Child care provider charges for absent days in excess of the amount established
53.13 by Minnesota Statutes, section 119B.13, subdivision 7, are the responsibility of the family
53.14 receiving child care assistance.

53.15 D. A CCAP agency must pay a child care provider for a holiday only if:

53.16 (1) the child care provider meets the requirements in Minnesota Statutes,
53.17 section 119B.13, subdivision 7, paragraph (d);

53.18 (2) the day is a state or federal holiday as determined according to Minnesota
53.19 Statutes, section 645.44, subdivision 5 or another cultural or religious holiday designated
53.20 by the child care provider;

53.21 (3) the child care provider does not provide child care on that day;

53.22 (4) the child care provider gives notice of the holiday or other designated day
53.23 to the CCAP agency before the holiday or designated day occurs or within ten calendar
53.24 days after the day occurs; and

54.1 (5) the child care provider bills the day as a holiday.

54.2 If child care is available on a holiday and a child is scheduled and authorized to be in
54.3 the child care provider's care on that day and the child is absent on that day, the child care
54.4 provider must bill the day as an absent day.

54.5 *[For text of item E, see Minnesota Rules]*

54.6 F. A parentally responsible individual may substitute other cultural or religious
54.7 holidays for the ten state and federal holidays identified in Minnesota Statutes, section
54.8 645.44, subdivision 5, if:

54.9 (1) the parentally responsible individual gives notice of the substitution to a
54.10 CCAP agency before the holiday occurs or within ten calendar days after the holiday; and

54.11 (2) the substitution is for a day when the child care provider is closed and
54.12 does not provide child care, and the child care provider agrees to bill the day as a holiday
54.13 and notify the CCAP agency according to item D, subitem (4).

54.14 G. If a holiday falls on a Saturday, the preceding day is used as a holiday. If a
54.15 holiday falls on a Sunday, the following day is used as a holiday.

54.16 H. A child with a documented medical condition may exceed the 25-absent-day
54.17 limit, or ten consecutive full-day absent limit, as provided by Minnesota Statutes, section
54.18 119B.13, subdivision 7, paragraph (b). The following criteria apply.

54.19 (1) A medical practitioner, public health nurse, or school nurse must complete
54.20 documentation of the child's medical condition. For purposes of this item, a medical
54.21 practitioner includes a physician, physician's assistant, nurse practitioner, psychiatrist,
54.22 psychologist, or chiropractor.

54.23 (2) If a child care provider sends a child home early from child care for a
54.24 medical reason, documentation of the medical condition may be verified by a licensed or

55.1 certified child care center director or child care center lead teacher. When the medical reason
55.2 is verified by the child care center director or lead teacher, the exemption is limited to up
55.3 to two weeks from the first day of the child's illness. To extend the exemption longer than
55.4 two weeks, a person listed in subitem (1) must complete documentation of the child's medical
55.5 condition.

55.6 (3) The exemption may begin on the first day of the child's illness, but not
55.7 more than ~~30~~ 90 days prior to the date that the CCAP agency receives documentation of
55.8 the child's illness. When documentation is submitted by a medical practitioner, public health
55.9 nurse, or school nurse, the exemption is limited to the time period of the child's medical
55.10 condition or up to 12 months if the exemption is due to a chronic medical condition.

55.11 Subp. 10. **Payment during medical leaves of absence.** A CCAP agency must authorize
55.12 child care assistance for a schedule reporter during the schedule reporter's medical leave of
55.13 absence from education, employment, or authorized activity in an employment plan if:

55.14 A. the parentally responsible individual is unable to provide child care due to the
55.15 individual's medical condition;

55.16 B. the parentally responsible individual is expected to return to authorized
55.17 employment, an approved education or training program, or employment plan activity within
55.18 90 calendar days after leaving the job, education or training program, or activity; and

55.19 C. the necessity of the medical leave and the inability to provide child care are
55.20 documented by a licensed physician, licensed psychiatrist, licensed psychologist, or licensed
55.21 social worker.

55.22 The amount of child care authorized during the medical leave of absence must not
55.23 exceed 215 hours of child care per child.

55.24 *[For text of subpart 11, see Minnesota Rules]*

56.1 Subp. 12. **Payment for child care provided at short-term alternate locations.** When
56.2 child care is not available at a certified license-exempt child care center where a CCAP
56.3 agency has authorized a child to receive child care assistance and the child receives child
56.4 care at an alternate location, a CCAP agency must make child care assistance payments
56.5 under the child's current authorization if the following criteria are met:

56.6 A. the alternate location is a certified license-exempt child care center;

56.7 B. the alternate location is registered to receive child care assistance;

56.8 C. the alternate location is controlled by the same entity as the authorized certified
56.9 license-exempt child care center and has the same tax identification number;

56.10 D. the alternate location is identified by the authorized certified license-exempt
56.11 child care center as an alternate location before a CCAP agency issues payment for child
56.12 care that the child receives at the alternate location;

56.13 E. child care is unavailable at the certified license-exempt child care center where
56.14 the child is authorized to receive child care;

56.15 F. the child receives child care for no more than 21 consecutive calendar days at
56.16 the alternate location; and

56.17 G. the alternate location fulfills all child care assistance program requirements in
56.18 this chapter and Minnesota Statutes, chapter 119B, and all certification requirements in
56.19 Minnesota Statutes, chapter 245H.

57.1 **3400.0120 ELIGIBLE CHILD CARE PROVIDERS AND CHILD CARE PROVIDER**
57.2 **REQUIREMENTS.**

57.3 Subpart 1. **Eligible child care provider.**

57.4 A. A registered child care provider who meets the definition of a child care provider
57.5 in Minnesota Statutes, section 119B.011, subdivision 19, is eligible for payments from the
57.6 child care fund.

57.7 B. A parentally responsible individual may choose one or more eligible child care
57.8 providers that best meet the needs of the individual's family with the following limitations:

57.9 (1) licensed family and legal nonlicensed child care providers and the child
57.10 care provider's employees are not eligible to receive child care subsidies for their own
57.11 children or children in their family during the hours that the child care providers and
57.12 employees provide child care or are paid to provide child care;

57.13 (2) a licensed child care center or a certified license-exempt child care center
57.14 must have no more than 25 authorized center employees' children or dependents at the child
57.15 care center; and

57.16 (3) a CCAP agency must not authorize a child to receive care from any more
57.17 than two of the following child care providers receiving payments from the child care fund:

57.18 (a) a licensed child care center;

57.19 (b) a licensed family child care provider; or

57.20 (c) a certified license-exempt child care center.

57.21 C. A CCAP agency or the commissioner may take action against a child care
57.22 provider according to Minnesota Statutes, section 119B.13, subdivision 6, paragraph (d),
57.23 clauses (1) to (7). A CCAP agency must indicate in the agency's child care fund plan which
57.24 clauses in Minnesota Statutes, section 119B.13, subdivision 6, paragraph (d), the agency is
57.25 implementing and must apply the policies consistently. For the purposes of implementing

58.1 Minnesota Statutes, section 119B.13, subdivision 6, paragraph (e), a CCAP agency or the
58.2 commissioner must (1) develop standards to define when a child care provider has corrected
58.3 a condition, and (2) describe the conditions under which the CCAP agency or commissioner
58.4 will withhold a child care provider's payment within the three-month time period. If a CCAP
58.5 agency or the commissioner develops standards for escalating consequences to a child care
58.6 provider within the three-month time period, any violation that the CCAP agency or the
58.7 commissioner establishes under Minnesota Statutes, section 119B.13, subdivision 6,
58.8 paragraph (d), is treated as a statewide occurrence. If the CCAP agency or commissioner
58.9 terminates a child care provider's registration, the child care provider must complete the
58.10 registration process in Minnesota Statutes, section 119B.011, subdivision 19a, and a CCAP
58.11 agency or the commissioner must determine that the child care provider has re-established
58.12 eligibility before the child care provider may receive any child care assistance payments.

58.13 Subp. 1a. **Child care provider registration and acknowledgment.** A child care
58.14 provider must sign and submit a child care provider registration and acknowledgment form
58.15 and register as a child care provider before the child care provider or a parentally responsible
58.16 individual is eligible to receive payments from the child care fund. The process for registering
58.17 a child care provider eligible for payments from the child care fund must not exceed 30
58.18 calendar days from the date that the child care provider's registration and acknowledgment
58.19 form is received or the date the child care provider's background study determination required
58.20 by Minnesota Statutes, section 119B.125, subdivision 1a, is received, whichever is later.
58.21 The child care provider registration and acknowledgment form must include the following
58.22 information:

58.23 A. the child care provider's rate, charges for child absences and holidays, any
58.24 notice days required before a child discontinues receiving child care, and any required
58.25 registration fees;

59.1 B. documentation of the child care provider's license status and, if the child care
59.2 provider is seeking a higher rate for quality based on accreditation or credential,
59.3 documentation of the accreditation or credential held by the child care provider;

59.4 C. a statement acknowledging that charging child care assistance participants
59.5 more than families who are not receiving child care assistance for like services or wrongfully
59.6 obtaining child care assistance may be investigated and may be a crime;

59.7 D. a statement acknowledging that a parentally responsible individual must be
59.8 given unlimited access to the individual's child and to the child care provider caring for the
59.9 child during all hours that the child is in the child care provider's care;

59.10 E. a statement acknowledging that the child care provider is responsible for
59.11 notifying the CCAP agency as provided in subpart 5 of child absence days, reduced
59.12 attendance, and the end of child care;

59.13 F. a statement acknowledging that the child care provider is responsible for
59.14 reporting any changes to the information supplied by the child care provider in the provider's
59.15 registration and acknowledgment form;

59.16 G. a statement acknowledging that the child care provider is a mandated reporter
59.17 of maltreatment of minors under Minnesota Statutes, chapter 260E;

59.18 H. a statement acknowledging that when the CCAP agency knows that a particular
59.19 child care provider or child care arrangement is unsafe, the CCAP agency may deny child
59.20 care assistance payments to the child care provider while following the termination notice
59.21 requirements in part 3400.0185, subpart 13;

59.22 I. a statement acknowledging that the child care provider is responsible for
59.23 maintaining daily attendance records according to Minnesota Statutes, section 119B.125,
59.24 subdivision 6;

60.1 J. a statement acknowledging that the child care provider is responsible for
60.2 maintaining documentation of payment of child care expenses by a source other than the
60.3 child's family according to Minnesota Statutes, section 119B.09, subdivision 11;

60.4 K. a statement acknowledging that if the child care provider receives an
60.5 overpayment from the child care fund, the CCAP agency or the commissioner must deduct
60.6 the overpayment from payments under part 3400.0187; and

60.7 L. a statement acknowledging that the child care provider must not bill for a
60.8 holiday unless the child care provider provides child care on the holiday, the child is
60.9 scheduled and authorized to be in child care on the holiday, and the child care provider
60.10 correctly indicates the day of the holiday when billing.

60.11 Subp. 1b. [Repealed, 33 SR 695]

60.12 Subp. 1c. **Registration of licensed child care centers, licensed family child care**
60.13 **providers, and certified license-exempt child care centers.** To register as a child care
60.14 provider, a licensed child care center, a licensed family child care provider, and a certified
60.15 license-exempt child care center must provide:

60.16 A. the child care provider registration and acknowledgment form required by
60.17 subpart 1a;

60.18 B. a completed request for taxpayer identification number and certification when
60.19 a child care provider is registering for the first time or registering after the child care
60.20 provider's registration has been terminated; and

60.21 C. a statement acknowledging that the child care provider must not bill for absent
60.22 days unless a child is absent for all scheduled hours on a day and the child care provider
60.23 correctly indicates the absent day when billing.

60.24 Subp. 1d. **Certification of license-exempt child care centers.** For a license-exempt
60.25 child care center to receive payments from the child care fund, the license-exempt child

61.1 care center must be registered, eligible under subpart 1, and certified under Minnesota
61.2 Statutes, chapter 245H. If the child care provider loses the child care provider's certification
61.3 under Minnesota Statutes, chapter 245H, the child care provider's registration and all of the
61.4 child care provider's child care authorizations must be terminated with a 15-day adverse
61.5 action notice.

61.6 **Subp. 2. Registration of legal nonlicensed child care providers.**

61.7 A. To register, a legal nonlicensed child care provider must provide:

61.8 (1) the child care provider's name, age, and address;

61.9 (2) the child care provider registration and acknowledgment form required
61.10 by subpart 1a;

61.11 (3) an assurance that the child care provider is eligible to provide unlicensed
61.12 child care under Minnesota Statutes, section 245A.03, subdivision 2, paragraph (a);

61.13 (4) a release to permit disclosure of information to the public on substantiated
61.14 parental complaints concerning the health and safety of children in the child care provider's
61.15 care according to Minnesota Statutes, chapter 13;

61.16 (5) an assurance that the child care provider is in compliance with state and
61.17 local health ordinances and building and fire codes applicable to the premises where the
61.18 child care provider provides child care;

61.19 (6) a statement acknowledging that the parentally responsible individual and
61.20 the legal nonlicensed child care provider have reviewed the health and safety information
61.21 provided during the registration process;

61.22 (7) a statement acknowledging that the legal nonlicensed child care provider
61.23 must notify the CCAP agency when any of the following events occur: a child dies in the
61.24 child care provider's care, a child has been maltreated in the child care provider's care, or a

62.1 child has had a serious injury requiring treatment by a physician in the child care provider's
62.2 care;

62.3 (8) a statement acknowledging that the legal nonlicensed child care provider
62.4 is not currently excluded or debarred from being a child care provider in any program
62.5 administered by the commissioner; and

62.6 (9) verification of training required by subpart 6 and Minnesota Statutes,
62.7 section 119B.125, subdivision 1b.

62.8 B. A legal nonlicensed child care provider who will receive payment from the
62.9 child care fund must provide the child care provider's Social Security number or tax
62.10 identification number. The legal nonlicensed child care provider must be informed under
62.11 what statutory or other authority the number is solicited and how the number will be used.

62.12 C. Legal nonlicensed child care providers must provide an assurance that the child
62.13 care provider will obtain an immunization record for each child in the child care provider's
62.14 care within 30 days of the first day providing child care for the child.

62.15 D. At the time of registration, a legal nonlicensed child care provider must be
62.16 provided with health and safety materials supplied by the commissioner.

62.17 E. A legal nonlicensed child care provider must be informed that a record of
62.18 substantiated parental complaints concerning the health and safety of children in the care
62.19 of legal nonlicensed child care providers will be kept and that, upon request, information
62.20 governing substantiated complaints must be released to the public as authorized under
62.21 Minnesota Statutes, chapter 13.

62.22 Subp. 2a. **Release for in-home child care providers.** An in-home child care provider
62.23 must register as a child care provider and sign a release allowing the parentally responsible
62.24 individual employing the child care provider to receive information on the remittance advice
62.25 about the amount of any funds being withheld from payment of the child care provider and

63.1 the reason for the withholdings. An in-home child care provider must be a legal nonlicensed
63.2 child care provider or a child care provider licensed to provide child care in the child's home.

63.3 Subp. 3. **Parental access to children in child care.** A child care provider must give
63.4 a parentally responsible individual unlimited access to the parentally responsible individual's
63.5 child and to the child care provider caring for the child during all hours that the child is in
63.6 the child care provider's care.

63.7 Subp. 4. [Repealed, 26 SR 253]

63.8 Subp. 5. **Child care provider reporting requirements.**

63.9 A. In addition to the reporting requirements in Minnesota Statutes, section
63.10 119B.125, subdivision 9, when a child care provider knows that a family has terminated
63.11 child care with the child care provider, the child care provider must notify the CCAP agency
63.12 that a family has terminated child care. When a child care provider believes that a family
63.13 will be ending child care with the child care provider, the child care provider must notify a
63.14 CCAP agency of the date on which the child care provider believes that the family will end
63.15 child care. A child care provider must also notify a CCAP agency if a child or children have
63.16 been absent for more than seven consecutive scheduled days. With the exception of the
63.17 reporting requirements in Minnesota Statutes, section 119B.125, subdivision 9, a child care
63.18 provider may notify a CCAP agency of a change by reporting the change in person, by
63.19 telephone, by facsimile, by mail, electronically, by e-mail, or by reporting the change when
63.20 billing or on a change reporting form.

63.21 B. A legal nonlicensed child care provider must report to the CCAP agency when
63.22 any of the following events occur: a child dies in the child care provider's care, a child is
63.23 maltreated in the child care provider's care, or a child has a serious injury requiring treatment
63.24 by a physician in the child care provider's care.

63.25 Subp. 6. [Renumbered subp 7]

64.1 **Subp. 6. Legal nonlicensed child care provider training requirements.**

64.2 A. In addition to the training requirements in Minnesota Statutes, section 119B.125,
64.3 subdivision 1b, a legal nonlicensed child care provider must complete:

64.4 (1) pediatric first aid training provided by an individual approved to provide
64.5 pediatric first aid instruction. A child care provider's pediatric first aid training must be valid
64.6 at the time of the child care provider's registration approval;

64.7 (2) preventing sudden unexpected infant death syndrome training approved
64.8 by the commissioner that the child care provider completed within two years prior to
64.9 receiving an initial authorization to care for a child under one year of age;

64.10 (3) preventing abusive head trauma training approved by the commissioner
64.11 that the child care provider completed within two years prior to receiving an initial
64.12 authorization to care for a child under five years of age; and

64.13 (4) federal health and safety requirements approved by the commissioner
64.14 within 90 days of receiving authorization to care for a child who is not related to the child
64.15 care provider. If a child care provider does not complete training under this subitem within
64.16 90 days of receiving an authorization to care for an unrelated child, the child care provider's
64.17 authorization for all unrelated children must be terminated with a 15-day adverse action
64.18 notice. If a child care provider completes training under this subitem, the child care provider
64.19 is eligible for an authorization for an unrelated child effective on the date that the child care
64.20 provider completes training under Minnesota Statutes, sections 119B.09, subdivision 7, and
64.21 119B.13, subdivision 6, paragraph (c).

64.22 B. At each registration renewal, a legal nonlicensed child care provider caring for
64.23 an unrelated child must have:

65.1 (1) pediatric first aid training provided by an individual approved to provide
65.2 pediatric first aid instruction. A child care provider's pediatric first aid training must be valid
65.3 at the time of the child care provider's registration renewal approval;

65.4 (2) pediatric cardiopulmonary resuscitation training provided by an individual
65.5 approved to provide pediatric cardiopulmonary resuscitation training. A child care provider's
65.6 pediatric cardiopulmonary resuscitation training must be valid at the time of the child care
65.7 provider's registration renewal approval; and

65.8 (3) federal health and safety requirements training approved by the
65.9 commissioner that the child care provider completed within the last 12 months.

65.10 C. A legal nonlicensed child care provider must attest and verify that the legal
65.11 nonlicensed child care provider has completed all required training.

65.12 Subp. 7. **Legal nonlicensed child care provider capacity and age distributions.**

65.13 A. A legal nonlicensed child care provider, as defined by Minnesota Statutes,
65.14 section 119B.011, subdivision 16, is eligible for payment from the child care fund for up
65.15 to eight children who are 12 years of age and younger and 13 or 14 years of age with special
65.16 needs due to a disability. The children must be:

65.17 (1) related to the child care provider;

65.18 (2) unrelated to the child care provider from a single family; or

65.19 (3) related to the child care provider and unrelated to the child care provider
65.20 from a single family.

65.21 B. When a legal nonlicensed child care provider cares for children, the children
65.22 must be within the following age distributions to be eligible for payment from the child care
65.23 fund:

66.1 (1) there must be no more than two children who are at least six weeks old
66.2 but less than 12 months old;

66.3 (2) there must be no more than three children who are less than 24 months
66.4 old within the age limits of subitem (1); and

66.5 (3) there must be no more than six children who are five years of age or
66.6 younger within the age limits of subitems (1) and (2).

66.7 C. A CCAP agency must consider the following factors when authorizing child
66.8 care with a legal nonlicensed child care provider:

66.9 (1) Children who are 12 years of age and younger count toward the eight-child
66.10 limit. Children who are 13 or 14 years of age with special needs due to a disability and
66.11 authorized for payment under the child care fund count toward the eight-child limit.

66.12 (2) The total number of children who are 12 years of age and younger must
66.13 include the legal nonlicensed child care provider's own children when the child care provider's
66.14 own children are present at the child care site.

66.15 (3) The limit of eight children as described in subitems (1) and (2) applies at
66.16 all times to the child care site.

66.17 Subp. 8. **Legal nonlicensed child care provider health and safety requirements.**

66.18 A. A legal nonlicensed child care provider must comply with all applicable federal
66.19 health and safety requirements, including preventing and controlling infectious diseases,
66.20 administering medications, preventing and responding to allergic reactions, ensuring building
66.21 and physical premises safety, handling and disposing of bodily fluids, transporting children,
66.22 preventing and reporting child abuse and neglect, emergency preparedness and response,
66.23 child development, and the federal health and safety training requirements in subpart 6.

67.1 B. A legal nonlicensed child care provider must develop an emergency
67.2 preparedness plan and make the plan available to a CCAP agency upon request. A CCAP
67.3 agency must give a child care provider 15 calendar days to submit an emergency preparedness
67.4 plan, if requested by the CCAP agency. If a child care provider fails to make the child care
67.5 provider's emergency preparedness plan available to a CCAP agency, the child care provider's
67.6 registration and all of the child care provider's child care authorizations must be terminated
67.7 with a 15-day adverse action notice.

67.8 Subp. 9. **Legal nonlicensed child care provider annual monitoring.**

67.9 A. Any legal nonlicensed child care provider who is authorized to care for an
67.10 unrelated child must complete an initial annual monitoring visit within 12 months of child
67.11 care authorization. The initial annual monitoring visit includes evaluating the child care
67.12 environment and determining whether the child care provider meets the health and safety
67.13 requirements in subpart 8.

67.14 B. After the initial annual monitoring visit, a legal nonlicensed child care provider
67.15 must complete a subsequent annual monitoring visit within 12 months of the initial visit for
67.16 child care authorization of an unrelated child to continue. If a CCAP agency terminates a
67.17 child care provider's child care authorization of an unrelated child and the CCAP agency
67.18 later issues a new authorization to the child care provider for an unrelated child, the child
67.19 care provider must complete an annual monitoring visit within 12 months of the previous
67.20 visit or within 90 days from the date that a CCAP agency issued the child care authorization,
67.21 whichever is later.

67.22 C. The commissioner must publicly post monitoring visit result summaries online.

67.23 D. If a legal nonlicensed child care provider does not demonstrate full compliance
67.24 with the health and safety requirements in subpart 8 and the child care provider may
67.25 demonstrate compliance by submitting additional written information, a CCAP agency must
67.26 allow the child care provider 15 calendar days to submit the additional information. If a

68.1 CCAP agency does not receive written information establishing the child care provider's
68.2 compliance with health and safety requirements, the child care provider's registration and
68.3 all of the child care provider's child care authorizations must be terminated with a 15-day
68.4 adverse action notice.

68.5 E. If a legal nonlicensed child care provider does not comply with at least one
68.6 health and safety requirement under subpart 8 and the child care provider is unable to
68.7 demonstrate compliance by submitting additional written information, the child care
68.8 provider's registration and all of the child care provider's child care authorizations must be
68.9 terminated with a 15-day adverse action notice.

68.10 F. If a legal nonlicensed child care provider's registration is terminated for the
68.11 child care provider's failure to demonstrate compliance with the annual monitoring visit,
68.12 the CCAP agency must identify the conditions under which the child care provider may
68.13 become eligible to receive child care assistance payments in the CCAP agency's child care
68.14 fund plan.

68.15 G. If a legal nonlicensed child care provider is not available for a scheduled annual
68.16 monitoring visit, a CCAP agency must allow 15 calendar days for the child care provider
68.17 to reschedule the annual monitoring visit. If a child care provider is not available for a
68.18 rescheduled visit, a CCAP agency must terminate the child care provider's authorizations
68.19 for unrelated children with a 15-day adverse action notice. Once an annual monitoring visit
68.20 is complete, a child care provider is eligible for child care authorizations for unrelated
68.21 children effective on the date that the visit is completed under Minnesota Statutes, sections
68.22 119B.09, subdivision 7, and 119B.13, subdivision 6, paragraph (c).

68.23 H. If the annual monitoring visit reveals unsafe care as defined in the CCAP
68.24 agency's child care fund plan, the child care provider's registration and all of the child care
68.25 provider's child care authorizations must be terminated with a 15-day adverse action notice.

69.1 I. If the annual monitoring visit reveals imminent risk as defined in the CCAP
69.2 agency's child care fund plan, the child care provider's registration and all of the child care
69.3 provider's child care authorizations must be terminated as required by part 3400.0185,
69.4 subpart 13.

69.5 **3400.0130 CHILD CARE ASSISTANCE PROGRAM MAXIMUM RATES.**

69.6 Subpart 1. **Rate determination.** The commissioner must determine the applicable
69.7 child care assistance program maximum rate as described in Minnesota Statutes, section
69.8 119B.13. Any rate survey conducted by the commissioner as described in Minnesota Statutes,
69.9 section 119B.02, must include a survey of registration fees when it is usual and customary
69.10 for a category of child care provider to charge registration fees.

69.11 Subp. 1a. **Child care assistance program maximum rate.** Except as provided in
69.12 this part, the maximum rate payable by a CCAP agency for child care assistance is the child
69.13 care provider's rate or the applicable maximum rate determined by the commissioner under
69.14 Minnesota Statutes, section 119B.13, whichever is less. In Minnesota, the child care
69.15 assistance program maximum rate must be based on the county, or city when applicable,
69.16 where a child care provider provides child care. Outside Minnesota, the child care assistance
69.17 program maximum rate must be based on the participant's county of residence.

69.18 Subp. 1b. **Child care provider charges and registration fees in excess of maximum**
69.19 **child care payment.** A CCAP agency must not pay a child care provider more than the
69.20 child care assistance program maximum rate and registration fee. In addition to any
69.21 copayment, a family is responsible for:

69.22 A. the difference between the child care assistance program maximum rate and
69.23 the child care provider rate;

69.24 B. any charges that exceed the allowable CCAP payment under part 3400.0110,
69.25 subpart 3d;

70.1 C. the difference between the applicable maximum registration fee and the child
70.2 care provider registration fee when the child care provider charge does not include the
70.3 registration fee;

70.4 D. the child care provider registration fee when a CCAP agency has paid two
70.5 registration fees per child in a 12-month period; and

70.6 E. any other fees that the child care provider charge does not include.

70.7 A third party may pay part or all of a family's child care expenses under Minnesota Statutes,
70.8 section 119B.09, subdivision 11.

70.9 Subp. 2. **Rate determination for certified license-exempt child care centers.** A
70.10 CCAP agency must pay a certified license-exempt child care center as defined in Minnesota
70.11 Statutes, section 245H.01, subdivision 5, the applicable maximum rate for licensed child
70.12 care centers or the child care provider rate, whichever is less.

70.13 Subp. 2a. [Repealed, 30 SR 1318]

70.14 Subp. 3. **Rate determination for special needs due to disability or inclusion in**
70.15 **at-risk population.** A CCAP agency must submit a request to pay a special needs rate for
70.16 a child with a disability or for a child care provider caring for a child in an at-risk population
70.17 to the commissioner. The commissioner must evaluate a request for a special needs rate
70.18 using the commissioner's methodology. Based on the commissioner's methodology, approved
70.19 special needs rates may be lower than the requested rates.

70.20 Subp. 3a. **Rate determination; children with special needs due to disability.**

70.21 A. When a parentally responsible individual or a child care provider asks a CCAP
70.22 agency for a special needs rate for a child with a disability that exceeds the applicable
70.23 maximum rate, the CCAP agency must use the following process to determine whether a
70.24 special needs rate is necessary and, if so, to establish the requested special needs rate. The
70.25 CCAP agency must:

- 71.1 (1) obtain documentary evidence of the child's disability;
- 71.2 (2) obtain the following documentation from the child care provider:
 - 71.3 (a) a description of the specialized training, services, or environmental
 - 71.4 adaptations that the child care provider will furnish to meet the individual needs of the child;
 - 71.5 (b) the child care provider's assurance of compliance with applicable
 - 71.6 provisions of the Americans with Disabilities Act;
 - 71.7 (c) the child care provider's assurance that the rate that the child care
 - 71.8 provider is requesting is the same as the rate that would be charged for similar services
 - 71.9 provided to a child with a disability in a family not receiving child care assistance; and
 - 71.10 (d) if applicable, a statement from the child care provider explaining that
 - 71.11 the rate that the child care provider charges for all children in child care should be adopted
 - 71.12 as the special needs rate for the child with a disability because the child care provider has
 - 71.13 chosen to spread the cost of caring for children with special needs across all families in
 - 71.14 child care;
- 71.15 (3) seek the commissioner's approval and determination of the special needs
- 71.16 rate. The commissioner must evaluate the request and, upon approval, allow a CCAP agency
- 71.17 to pay a special needs rate at 75 percent, 150 percent, or 200 percent of the applicable
- 71.18 maximum rate by assessing the child's needs in the following areas:
 - 71.19 (a) special medical needs and health;
 - 71.20 (b) behavioral issues;
 - 71.21 (c) mobility;
 - 71.22 (d) communication skills;
 - 71.23 (e) self-sufficiency; and

72.1 (f) extra supervision for safety; and

72.2 (4) notify the child care provider and parentally responsible individual of the
72.3 commissioner's decision in writing, including the reasons for approval or denial.

72.4 B. Upon written approval by the commissioner, a CCAP agency must pay the
72.5 approved special needs rate retroactively from the date of the child care provider's or
72.6 parentally responsible individual's request for the special needs rate under Minnesota Statutes,
72.7 sections 119B.09, subdivision 7, and 119B.13, subdivision 6. A special needs rate approval
72.8 must not exceed a time period of 12 months. If a parentally responsible individual or child
72.9 care provider requests a special needs rate for longer than 12 months, the parentally
72.10 responsible individual or child care provider must seek a renewal of the special needs rate
72.11 by the end of the 12-month period.

72.12 Subp. 3b. **Rate determination; child care provider who serves children in at-risk**
72.13 **population.** To determine a special needs rate for a child care provider caring for children
72.14 in an at-risk population as defined in the CCAP agency's child care fund plan, a CCAP
72.15 agency must:

72.16 A. obtain documentary evidence that the children that the child care provider
72.17 serves are predominantly in the at-risk population defined in the CCAP agency's child care
72.18 fund plan;

72.19 B. obtain the following documentation from the child care provider:

72.20 (1) a description of the specialized training, services, or environmental
72.21 adaptations that the child care provider will receive or provide to meet the needs of the
72.22 children in the at-risk population;

72.23 (2) the child care provider's assurance that the rate that the child care provider
72.24 is requesting is the same as the rate that the child care provider would charge for similar

73.1 services provided to a child in the at-risk population in a family that is not receiving child
73.2 care assistance; and

73.3 (3) if applicable, a statement from the child care provider explaining that the
73.4 rate that the child care provider charges for all children in the child care provider's care
73.5 should be adopted as the special needs rate for children in the at-risk population because
73.6 the child care provider has chosen to spread the cost of caring for children with special
73.7 needs across all families receiving child care from the child care provider;

73.8 C. determine how many child care providers in the county offer child care for
73.9 children in the at-risk population;

73.10 D. identify the 75th percentile rate if the CCAP agency finds that four or more
73.11 child care providers offer child care for children in the at-risk population and pay the 75th
73.12 percentile rate, the rate negotiated with the child care provider by the CCAP agency, or the
73.13 child care provider's rate, whichever is less;

73.14 E. pay the lesser of the rate negotiated with the child care provider by the CCAP
73.15 agency or the child care provider's rate if the CCAP agency finds that fewer than four child
73.16 care providers offer child care for children in the at-risk population; and

73.17 F. seek the commissioner's approval of the special rate as determined under subitem
73.18 D or E. A CCAP agency must submit the special needs rate request for the commissioner's
73.19 approval with or as an amendment to the CCAP agency's child care fund plan.

73.20 Upon written approval by the commissioner, a CCAP agency must pay the approved special
73.21 needs rate retroactively from the date of the child care provider's request for the special
73.22 needs rate under Minnesota Statutes, sections 119B.09, subdivision 7, and 119B.13,
73.23 subdivision 6.

73.24 Subp. 4. [Repealed, 26 SR 253]

74.1 Subp. 5. **Age categories.** A CCAP agency must determine a child's maximum child
74.2 care assistance rate according to the age of the child and the type of child care provider
74.3 caring for the child as follows.

74.4 A. The age categories in Minnesota Statutes, section 245A.02, subdivision 19,
74.5 apply to a licensed family child care provider and to a legal nonlicensed child care provider.

74.6 B. The age categories in part 9503.0005, subpart 2, apply to a licensed child care
74.7 center.

74.8 C. The age categories in Minnesota Statutes, section 245H.08, subdivisions 4 and
74.9 5, apply to a certified license-exempt child care center.

74.10 D. If a licensed family child care provider or a licensed child care center cares for
74.11 the child, a CCAP agency must base the maximum rate that the agency pays for the child's
74.12 care on a different age category when a parentally responsible individual or child care
74.13 provider notifies the CCAP agency that the child's setting or age category differs from the
74.14 applicable age category under item A or B; and:

74.15 (1) the child meets the age criteria to qualify for the licensing provision for
74.16 age flexibility for licensed centers under part 9503.0040, subpart 4, item A; or

74.17 (2) the commissioner has granted a licensing variance to the child's licensed
74.18 child care center under part 9503.0005, subpart 26, or licensed family child care provider
74.19 under part 9502.0315, subpart 31.

74.20 E. A CCAP agency must consider a child to be in the school-age rate category on
74.21 September 1 following the child's fifth birthday unless the parentally responsible individual
74.22 informs the CCAP agency that the child will not be starting school.

74.23 Subp. 5a. **Rates for in-home care.** When a child care provider cares for a child in
74.24 the child's home under Minnesota Statutes, section 119B.09, subdivision 13, a CCAP agency
74.25 must base the applicable maximum rate on the allowable rate for a legal nonlicensed child

75.1 care provider. If a child care provider is licensed to care for a child in the child's home, a
75.2 CCAP agency must base the applicable maximum rate on the allowable rate for a licensed
75.3 child care provider.

75.4 Subp. 6. [Repealed, 26 SR 253]

75.5 Subp. 7. **Payment of registration fees.** If a child care provider charges a family a
75.6 registration fee to enroll a child in the child care provider's program and the child care
75.7 provider rate does not include the registration fee, a CCAP agency must pay the child care
75.8 provider registration fee or up to the applicable maximum registration fee that the
75.9 commissioner determines under Minnesota Statutes, section 119B.13. A CCAP agency
75.10 must not pay for more than two registrations per child in a 12-month period.

75.11 Subp. 8. [Repealed, L 2011 1Sp9 art 3 s 35]

75.12 Subp. 9. [Repealed, 26 SR 253]

75.13 Subp. 10. [Repealed, 26 SR 253]

75.14 **3400.0140 RESPONSIBILITIES OF A CCAP AGENCY.**

75.15 Subpart 1. **CCAP agency child care assistance policies and procedures.** A CCAP
75.16 agency must adopt policies and procedures for providing child care assistance to enable
75.17 eligible applicants to seek or retain employment or to participate in education or training
75.18 programs. All adopted CCAP agency policies that apply to child care assistance must be in
75.19 writing and must be included in the CCAP agency's child care fund plan and must be
75.20 approved by the commissioner as required under part 3400.0150.

75.21 Subp. 2. **Child care assistance information.** A CCAP agency must provide
75.22 information on child care assistance to families, child care providers, social service agencies,
75.23 and the local news media to ensure the full use of the CCAP agency's child care fund
75.24 allocation.

76.1 Subp. 3. [Repealed, 26 SR 253]

76.2 Subp. 4. [See repealer.]

76.3 Subp. 5. [See repealer.]

76.4 Subp. 5a. [Repealed, 33 SR 695]

76.5 Subp. 6. **Duties upon receipt of complaint against legal nonlicensed child care**

76.6 **provider.** Within 24 hours of receiving a complaint concerning the health or safety of
76.7 children in the care of a legal nonlicensed child care provider, a CCAP agency must relay
76.8 the complaint to:

76.9 A. the county's or Tribe's child protection agency if the complaint alleges child
76.10 maltreatment as defined in Minnesota Statutes, section 260E.03, subdivision 12;

76.11 B. the county's or Tribe's public health agency if the complaint alleges a danger
76.12 to public health due to communicable disease, unsafe water supply, sewage or waste disposal,
76.13 or building structures;

76.14 C. local law enforcement if the complaint alleges criminal activity that endangers
76.15 the health or safety of children under care; or

76.16 D. other agencies with jurisdiction to investigate complaints relating to the health
76.17 and safety of a child.

76.18 If a complaint is substantiated under item A, the CCAP agency must keep a record of
76.19 the substantiated complaint as provided in Minnesota Statutes, section 260E.35, subdivision
76.20 6. If a complaint is substantiated under items B to D, the CCAP agency must keep a record
76.21 of the substantiated complaint for three years. Upon request, a CCAP agency must release
76.22 information governing substantiated complaints to the public as authorized under Minnesota
76.23 Statutes, chapter 13. Upon receiving notice of a substantiated complaint under items A to
76.24 D, a CCAP agency must determine if the complaint meets the criteria for imminent risk or

77.1 unsafe care in the CCAP agency's child care fund plan. A CCAP agency must not make
77.2 payments to a child care provider from the child care fund for child care services that the
77.3 child care provider provides after the date of the termination notice under part 3400.0185,
77.4 subpart 13, unless the child care provider has corrected the conditions underlying the
77.5 substantiated complaint. If a CCAP agency terminates a child care provider's registration,
77.6 the child care provider must complete the registration process in Minnesota Statutes, section
77.7 119B.011, subdivision 19a, after the child care provider has corrected the conditions
77.8 underlying the substantiated complaint and becomes eligible under part 3400.0120 to receive
77.9 child care assistance payments. When substantiated maltreatment occurs in a legal
77.10 nonlicensed child care setting and a child dies or a child has a serious injury in the legal
77.11 nonlicensed child care setting that requires treatment by a physician, the commissioner and
77.12 any CCAP agency must always consider the legal nonlicensed child care setting unsafe and
77.13 the child care provider is no longer eligible to receive child care assistance.

77.14 **Subp. 7. County and Tribal contracts for administration of child care fund.** A
77.15 county or Tribe may contract for the administration of all or part of the child care fund. A
77.16 county or Tribe must designate the agency that the county or Tribe authorizes to administer
77.17 the child care fund in the county's or Tribe's child care fund plan. The county or Tribe must
77.18 submit a copy of the current contract with the subcontracted agency that describes the
77.19 subcontracted agency's responsibilities.

77.20 **Subp. 8. Agreement with employment and training services providers.** Cooperative
77.21 agreements with employment and training services providers must specify that MFIP families
77.22 participating in employment services and meeting the requirements of part 3400.0080 are
77.23 eligible for child care assistance from the CCAP agency responsible for the MFIP participant's
77.24 approved employment plan or according to Minnesota Statutes, section 256G.07.

77.25 **Subp. 9. Local match.** The county or Tribe must provide a local match according to
77.26 Minnesota Statutes, section 119B.11, subdivision 1.

78.1 Subp. 9a. **Child care assistance funding.** In the manner prescribed by the
78.2 commissioner, a CCAP agency must use funding for child care expenditures for all eligible
78.3 recipients who are in employment, education, training, or other preemployment activities
78.4 allowed under the federal and state reimbursement programs. The commissioner must
78.5 allocate any federal or state earnings to the CCAP agency that used the funding and the
78.6 CCAP agency must use the earnings to expand funding for child care services.

78.7 Subp. 10. **Eligibility priorities for beginning assistance.** If a CCAP agency's basic
78.8 sliding fee program allocation for child care is insufficient to fund all of the applications
78.9 that the CCAP agency receives for child care assistance, the CCAP agency may prioritize
78.10 eligibility among the groups that remain to be served after the CCAP agency has complied
78.11 with the priority requirements in Minnesota Statutes, section 119B.03, subdivision 4. A
78.12 CCAP agency must include the agency's rationale for the prioritization of eligibility in the
78.13 CCAP agency's child care fund plan. To the extent of available allocations, a CCAP agency
78.14 must not exclude any eligible family who has submitted a complete application from
78.15 receiving child care assistance.

78.16 Subp. 11. [Repealed, 26 SR 253]

78.17 Subp. 12. [Repealed, 26 SR 253]

78.18 Subp. 13. [Repealed, 26 SR 253]

78.19 Subp. 14. **Reporting requirements.** A CCAP agency must submit financial, program
78.20 activity, and child care provider reports according to instructions and schedules that the
78.21 commissioner establishes after considering such factors as the commissioner's need to
78.22 receive data in a manner and according to a schedule that meets reporting deadlines and the
78.23 CCAP agency's need for lead time when changes in reporting requirements occur.

78.24 Subp. 15. [Repealed, 26 SR 253]

78.25 Subp. 16. [Repealed, 26 SR 253]

79.1 Subp. 17. [Repealed, 26 SR 253]

79.2 Subp. 18. [Repealed, 26 SR 253]

79.3 Subp. 19. [Repealed, 33 SR 695]

79.4 Subp. 20. [Repealed, 26 SR 253]

79.5 Subp. 21. **Acting on changes.** A CCAP agency must act within ten calendar days
79.6 from the date that a family reports a change or the change becomes known to the CCAP
79.7 agency. A CCAP agency must consider a family's reporting responsibilities under part
79.8 3400.0040, subpart 4, to determine if a change requires CCAP agency action.

79.9 **3400.0150 CHILD CARE FUND PLAN.**

79.10 Subpart 1. **Submission of plan.** By the date established by the commissioner, a county
79.11 or Tribe must submit to the commissioner a child care fund plan within the time frame in
79.12 Minnesota Statutes, section 119B.08, subdivision 3. The commissioner may require updates
79.13 of information in the child care fund plan to comply with this chapter, applicable Minnesota
79.14 statutes, and federal laws and regulations.

79.15 Subp. 2. **Plan content.** A child care fund plan must contain a complete description
79.16 of the county's or Tribe's child care assistance program for applicants and participants
79.17 eligible for assistance under Minnesota Statutes, chapter 119B. The child care fund plan
79.18 must include the information required by Minnesota Statutes, sections 119B.08, subdivision
79.19 3, and 119B.125, subdivision 4; the information required by this chapter, including the
79.20 conditions that the county or Tribe recognizes as presenting an imminent risk of harm; and
79.21 all county and Tribal forms, policies, and procedures used to administer the child care funds.
79.22 The child care fund plan must describe how the county or Tribe serves persons with limited
79.23 English proficiency as required by title VI of the Civil Rights Act of 1964, United States
79.24 Code, title 42, sections 2000, et seq. The information in the plan must be in the form that
79.25 the commissioner prescribes.

80.1 Subp. 2a. **Plan approval.** A county or Tribe must submit a complete child care fund
80.2 plan to the commissioner for approval. The child care fund plan must comply with this
80.3 chapter; Minnesota Statutes, chapter 119B; and federal law. Once the commissioner approves
80.4 of the child care plan fund, the county or Tribe must receive written approval from the
80.5 commissioner within the time frame in Minnesota Statutes, section 119B.08, subdivision
80.6 3. The child care fund plan must include information on how the county or Tribe will make
80.7 the approved plan available to the public.

80.8 Subp. 3. **Plan amendments.** A county or Tribe may submit a written request to amend
80.9 the county's or Tribe's child care fund plan at any time and the commissioner must approve
80.10 of the amendment before the amended plan becomes effective. If the commissioner approves
80.11 of the amendment, the amendment is effective on the date requested by the county or Tribe
80.12 unless a different effective date is set by the commissioner. The commissioner must approve
80.13 or deny plan amendments within 60 days after receipt of the amendment request. A county
80.14 or Tribe must include the approved amendment when making the approved plan available
80.15 to the public.

80.16 **3400.0170 INCOME ELIGIBILITY FOR CHILD CARE ASSISTANCE.**

80.17 Subpart 1. **Proof of income eligibility.** An applicant requesting child care assistance
80.18 must provide proof of income eligibility. For the purpose of determining income eligibility,
80.19 gross annual income is the gross income of the family for the current month multiplied by
80.20 12, the gross income for the 12-month period immediately preceding the date of application,
80.21 or the gross income calculated by the method that provides the most accurate assessment
80.22 of gross annual income available to the family. A CCAP agency must use the method that
80.23 provides the most accurate assessment of gross annual income currently available to the
80.24 family. An applicant must verify counted income as described in subpart 4 with documentary
80.25 evidence. If an applicant does not submit sufficient evidence of counted income to a CCAP
80.26 agency, the CCAP agency must offer the applicant the opportunity to sign an informational

81.1 release to permit the CCAP agency to verify whether the applicant qualifies for child care
81.2 assistance.

81.3 Subp. 1a. **Income limits.** Income limits vary for applicants and participants under
81.4 Minnesota Statutes, section 119B.09, subdivision 1.

81.5 A. To be income eligible at application, a family's gross annual income after
81.6 allowable deductions under subpart 6a must be at or below:

81.7 (1) 47 percent of the state median income, adjusted for family size, for basic
81.8 sliding fee child care assistance or student parents;

81.9 (2) 67 percent of the state median income, adjusted for family size, for MFIP
81.10 or DWP child care assistance; or

81.11 (3) 47 percent of the state median income, adjusted for family size, for
81.12 transition year child care assistance if a family does not receive MFIP and DWP child care
81.13 assistance. If a family's MFIP or DWP grant is closing and the family receives MFIP or
81.14 DWP child care assistance, a CCAP agency must consider the family a participant and the
81.15 family is subject to the income limits in items B and C.

81.16 B. To be income eligible at redetermination, a family's gross annual income after
81.17 allowable deductions must be at or below 67 percent of the state median income, adjusted
81.18 for family size. This limit applies to all participants.

81.19 C. To maintain income eligibility during the 12-month eligibility period, a family's
81.20 gross annual income after allowable deductions must be at or below 85 percent of the state
81.21 median income, adjusted for family size. This limit applies to all participants.

81.22 D. A CCAP agency must consider a family a participant when the family receives
81.23 child care assistance and becomes temporarily ineligible under part 3400.0040, subpart 17,
81.24 subject to the income limits in items B and C. A CCAP agency must consider a family a
81.25 basic sliding fee applicant when the family on the basic sliding fee waiting list reaches the

82.1 top of the waiting list and is temporarily ineligible under part 3400.0040, subpart 17, subject
82.2 to the income limit in item A, subitem (1).

82.3 E. A family that is suspended under part 3400.0040, subpart 18, is considered a
82.4 participant and is subject to the income limits in items B and C during the suspension and
82.5 after the suspension ends.

82.6 F. If a family becomes ineligible while receiving child care assistance, a CCAP
82.7 agency must terminate the family's child care assistance. If a formerly ineligible family
82.8 applies for child care assistance, a CCAP agency must consider the family an applicant and
82.9 the family is subject to the income limits in item A.

82.10 Subp. 2. [Repealed, 26 SR 253]

82.11 Subp. 3. **Evaluation of income.** A CCAP agency must determine the income that a
82.12 family receives or that is available to a family according to subparts 4 to 11.

82.13 Subp. 4. **Determination of gross annual income.** The income standard for determining
82.14 eligibility for child care assistance is a family's gross annual income. A family's gross annual
82.15 income is the sum of each family member's income sources under Minnesota Statutes,
82.16 sections 119B.011, subdivision 15, and 256P.01, subdivisions 3 and 8, including earned
82.17 income, self-employment income, unearned income, and lump sum payments. A CCAP
82.18 agency must ~~include~~ offset negative self-employment income ~~in the determination of a~~
82.19 ~~family's gross annual income~~ from one business against self-employment income from a
82.20 different business, resulting in a reduction in ~~total gross annual income~~ from self-employment.
82.21 Lump sum payments that a family receives prior to participating in the child care assistance
82.22 program are not included in the family's total gross annual income. If a participant's eligibility
82.23 ends after receiving a lump sum and the participant reapplies for child care assistance, a
82.24 CCAP agency must count the lump sum for 12 months from the date of the lump sum receipt.
82.25 A CCAP agency must calculate earned income, self-employment income, unearned income,
82.26 and lump sum payments separately.

83.1 Subp. 4a. **Individuals with exempt income.** Certain individuals in a family
83.2 participating in the child care assistance program are exempt from having a CCAP agency
83.3 count some or all of their income.

83.4 A. Individuals under Minnesota Statutes, section 256P.06, subdivision 2, paragraph
83.5 (a), are exempt from having a CCAP agency count their earned income.

83.6 B. A designated new spouse under Minnesota Statutes, section 256P.06,
83.7 subdivision 2, paragraph (c), is exempt from having the designated new spouse's earned
83.8 and unearned income counted when the designated new spouse's family income before
83.9 exemption does not exceed 67 percent of the state median income and the family verifies
83.10 the marriage date. If a family meets these requirements, the designated new spouse's earned
83.11 and unearned income no longer counts for two service periods after a CCAP agency receives
83.12 verification of the marriage date and continues not to count for up to 26 service periods.

83.13 Subp. 5. [Repealed, L 2015 c 71 art 5 s 34]

83.14 Subp. 6. [Repealed, L 2015 c 71 art 5 s 34]

83.15 Subp. 6a. **Deductions from gross annual income.** When a family verifies items at
83.16 the time of application or redetermination, or during the 12-month eligibility period, a CCAP
83.17 agency must deduct the following items from a family's gross annual income:

83.18 A. child or spousal support paid to or on behalf of a person or persons who live
83.19 outside of the household;

83.20 B. money used to pay for health, dental, and vision insurance premiums for family
83.21 members that are not reimbursed by medical assistance; and

83.22 C. expenditures necessary to secure payment of unearned income.

83.23 Subp. 7. **Earned income from self-employment.** In determining a family's gross
83.24 annual income for purposes of eligibility under this part, a CCAP agency must determine

84.1 earned income from self-employment according to Minnesota Statutes, section 256P.05,
 84.2 subdivision 2. If a family provides verification for and meets income and authorized activity
 84.3 eligibility requirements under both income determination methods but does not choose a
 84.4 method, the CCAP agency must use the method that results in the lowest copayment to the
 84.5 family.

84.6 ~~A. Earned income from self-employment is the difference between gross receipts~~
 84.7 ~~and self-employment expenses that must not include expenses under subpart 8.~~

84.8 ~~(1) A family must document gross receipts and self-employment expenses~~
 84.9 ~~with business records, such as charts of accounts, books, ledgers, and tax schedules provide~~
 84.10 ~~verification of self-employment income for either income determination method and provide~~
 84.11 ~~expenses for the taxable income method.~~

84.12 ~~B. (2) At the time of application, or redetermination, or during the 12-month~~
 84.13 ~~eligibility period, a CCAP agency must allow a family in the start-up phase of~~
 84.14 ~~self-employment to submit a self-attestation verifying income if financial documentation~~
 84.15 ~~is unavailable or insufficient to accurately predict self-employment income. A family is~~
 84.16 ~~subject to recoupment or recovery of an overpayment under part 3400.0187 and Minnesota~~
 84.17 ~~Statutes, section 119B.11, subdivision 2a, if the commissioner or CCAP agency determines~~
 84.18 ~~that the family's estimated income does not reflect the family's actual income.~~

84.19 C. A family may change the method of self-employment income determination
 84.20 when the current income calculation does not provide the most accurate assessment of
 84.21 annual ongoing income available to the family. The family must meet verification
 84.22 requirements of the chosen method.

84.23 ~~B. D.~~ Self-employment business records must be kept separate from the family's
 84.24 personal records.

85.1 ~~€. E.~~ If the person's business is a partnership or a corporation and that person is
85.2 drawing a salary, the salary must be treated as earned income.

85.3 ~~Subp. 8. Self-employment deductions which are not allowed.~~ In determining
85.4 eligibility under this part, self-employment expenses must be subtracted from gross receipts.
85.5 However, the expenses listed in items A to L must not be subtracted from gross receipts:

85.6 *~~[For text of items A to F, see Minnesota Rules]~~*

85.7 ~~G. the cost of transportation between the individual's home and the individual's~~
85.8 ~~place of employment;~~

85.9 *~~[For text of item H, see Minnesota Rules]~~*

85.10 ~~I. expenses not allowed by the United States Internal Revenue Code for~~
85.11 ~~self-employment income, unless specifically authorized in this chapter;~~

85.12 ~~J. federal, state, and local income taxes;~~

85.13 ~~K. employer's own share of FICA; and~~

85.14 ~~L. money set aside for the self-employed person's own retirement.~~

85.15 ~~Subp. 9. Self-employment budget period.~~ A family must budget gross receipts from
85.16 self-employment in the month in which the family received gross receipts. Expenses must
85.17 be budgeted against gross receipts in the month that the family paid the expenses except
85.18 for items A to C.

85.19 ~~A. The purchase cost of inventory items, including materials that are processed~~
85.20 ~~or manufactured, must be deducted as an expense at the time that a family receives payment~~
85.21 ~~for the sale of those inventory items, processed materials, or manufactured items, regardless~~
85.22 ~~of when those costs are incurred or paid.~~

85.23 ~~B. Expenses and other costs that are commonly paid at least annually, but less~~
85.24 ~~often than monthly, must be prorated forward as deductions from gross receipts over the~~

86.1 ~~period they are intended to cover, beginning with the month in which the payment for these~~
86.2 ~~items is made.~~

86.3 ~~C. Gross receipts from self-employment must be prorated forward to equal the~~
86.4 ~~period of time during which the expenses were incurred. However, gross receipts must not~~
86.5 ~~be prorated over a period that exceeds 12 months. This provision applies only when gross~~
86.6 ~~receipts are not received monthly but expenses are incurred on an ongoing monthly basis.~~

86.7 Subp. 10. **Determination of farm income.** Farm income must be determined for a
86.8 one-year period. Farm income is ~~gross receipts minus operating expenses, except for expenses~~
86.9 ~~listed in subpart 8~~ determined according to Minnesota Statutes, section 256P.05, subdivision
86.10 2. Gross receipts include income includes items such as sales, rents, subsidies, farm-related
86.11 insurance payments, soil conservation payments, production derived from livestock, and
86.12 income from the sale of home-produced foods.

86.13 Subp. 11. **Determination of rental income.**

86.14 A. Income from rental property is considered self-employment earnings when the
86.15 owner spends an average of 20 or more hours per week on maintenance or management of
86.16 the property.

86.17 B. ~~When a family lives on the rental property, a CCAP agency must divide the~~
86.18 ~~allowable expenses described in this subpart by the number of units to determine the expense~~
86.19 ~~per unit. A CCAP agency must deduct expenses from rental income only for the number of~~
86.20 ~~units rented, not for units occupied by family members.~~

86.21 *[For text of item C, see Minnesota Rules]*

86.22 B. When an owner does not spend an average of 20 or more hours per week on
86.23 maintenance or management of the property, income from rental property is considered
86.24 unearned income.

87.1 ~~D. C. The expenses described in this subpart are subtracted from gross rental~~
 87.2 ~~receipts regardless of whether the rental income is considered earned or unearned income.~~
 87.3 ~~Allowable expenses are:~~ Rental income is determined according to Minnesota Statutes,
 87.4 section 256P.05, subdivision 2.

- 87.5 ~~(1) real estate tax;~~
- 87.6 ~~(2) insurance;~~
- 87.7 ~~(3) utilities;~~
- 87.8 ~~(4) interest;~~
- 87.9 ~~(5) upkeep and repairs;~~
- 87.10 ~~(6) tax return preparation fees;~~
- 87.11 ~~(7) license fees, franchise fees, professional fees, and professional dues;~~
- 87.12 ~~(8) advertising;~~
- 87.13 ~~(9) postage;~~
- 87.14 ~~(10) attorney fees allowed by the Internal Revenue Code; and~~
- 87.15 ~~(11) payments on the principal of the purchase price of income-producing~~
 87.16 ~~real estate.~~

87.17 Subp. 12. [Repealed, L 2015 c 71 art 5 s 34]

87.18 Subp. 13. [Repealed, L 2015 c 71 art 5 s 34]

87.19 **3400.0175 EXTENDED ELIGIBILITY.**

87.20 Subpart 1. **Three-month extended eligibility period.** Extended eligibility is a period
 87.21 of continued eligibility for a family during the 12-month eligibility period as allowed by
 87.22 Minnesota Statutes, section 119B.105. A family may enter extended eligibility under the

88.1 circumstances described in Minnesota Statutes, section 119B.105, subdivision 1, paragraph
88.2 (b), and under the following circumstances.

88.3 A. An MFIP or DWP participant has a permanent end to all employment plan
88.4 activities and is not participating in another authorized activity.

88.5 B. An MFIP or DWP participant has been sanctioned for not participating in all
88.6 employment plan activities and is not participating in authorized activities outside of an
88.7 employment plan.

88.8 C. A parentally responsible individual's unable to care status has expired in a
88.9 two-parent household.

88.10 Subp. 2. **Permanent and temporary ends of authorized activity.**

88.11 A. If a parentally responsible individual reports an end to the parentally responsible
88.12 individual's authorized activity, a CCAP agency must consider the end of the authorized
88.13 activity permanent unless the family reports that the end is temporary. The extended eligibility
88.14 period begins on the day that the authorized activity permanently ends and continues for
88.15 up to three months or until a family's redetermination, whichever occurs first.

88.16 B. If a parentally responsible individual has a temporary end to an authorized
88.17 activity that becomes a permanent end, the family must report the change to a CCAP agency
88.18 under Minnesota Statutes, section 256P.07, subdivision 6, paragraph (a), clause (2). The
88.19 extended eligibility period begins on the date that the change becomes permanent.

88.20 C. If a parentally responsible individual has more than one authorized activity,
88.21 extended eligibility is available to the family when the family reports that all authorized
88.22 activities ended permanently.

89.1 Subp. 3. **Requirements at end of extended eligibility.**

89.2 A. At the end of the extended eligibility period, the parentally responsible
89.3 individual must participate in an authorized activity for eligibility to continue until the next
89.4 redetermination according to the following criteria:

89.5 (1) if employment is the authorized activity of a parentally responsible
89.6 individual who is eligible under part 3400.0060 or 3400.0090, or of a parentally responsible
89.7 individual who is eligible under part 3400.0080 without an employment plan, the parentally
89.8 responsible individual does not have to meet minimum work requirements under Minnesota
89.9 Statutes, section 119B.10, until redetermination;

89.10 (2) if education is the authorized activity of a parentally responsible individual
89.11 who is eligible under part 3400.0060 or 3400.0090, the education activity must meet the
89.12 criteria in the CCAP agency's child care fund plan; or

89.13 (3) if the parentally responsible individual is eligible under part 3400.0080
89.14 and has an employment plan, the individual must be participating in an authorized activity
89.15 in the individual's employment plan.

89.16 B. If the parentally responsible individual is not participating in an authorized
89.17 activity at the end of the extended eligibility period, a CCAP agency must end the family's
89.18 eligibility.

89.19 C. If a parentally responsible individual in a two-parent household entered extended
89.20 eligibility because the individual's unable to care status under part 3400.0040, subpart 5,
89.21 expired and the parentally responsible individual has not re-verified the individual's unable
89.22 to care status or started participating in an authorized activity by the end of the individual's
89.23 extended eligibility period, a CCAP agency must end the family's eligibility.

89.24 Subp. 4. **Extended eligibility at application or redetermination.** A parentally
89.25 responsible individual is not eligible for extended eligibility when the parentally responsible

90.1 individual does not have an authorized activity under Minnesota Statutes, section 119B.10,
90.2 on the application date or redetermination due date. A parentally responsible individual
90.3 who meets the eligibility requirements at application under part 3400.0040 or at
90.4 redetermination under part 3400.0180 and experiences a permanent end to the parentally
90.5 responsible individual's authorized activity after the application date or redetermination due
90.6 date is eligible for extended eligibility. A family that is eligible under part 3400.0080 or
90.7 3400.0090 is not eligible for extended eligibility during the retroactive periods in Minnesota
90.8 Statutes, sections 119B.09, subdivision 7, and 119B.13, subdivision 6, paragraph (c).

90.9 Subp. 5. **New authorizations during extended eligibility period.** If a child without
90.10 an authorization for child care assistance requires child care during an extended eligibility
90.11 period, a CCAP agency must authorize child care for the child based on the number of child
90.12 care hours that the CCAP agency authorized for other children in the child's household. If
90.13 a CCAP agency has not authorized child care of any other children in the household, the
90.14 CCAP agency must authorize child care for the child based on the number of child care
90.15 hours for which the family was eligible prior to the beginning of the extended eligibility
90.16 period.

90.17 Subp. 6. **New authorized activity during extended eligibility period.**

90.18 A. If a parentally responsible individual reports that the parentally responsible
90.19 individual began a new authorized activity prior to the end of the parentally responsible
90.20 individual's extended eligibility period, the family moves out of extended eligibility and
90.21 continues to be eligible until the next redetermination according to the following criteria:

90.22 (1) if employment is the authorized activity of a parentally responsible
90.23 individual who is eligible under part 3400.0060 or 3400.0090, or of a parentally responsible
90.24 individual who is eligible under part 3400.0080 without an employment plan, the parentally
90.25 responsible individual does not have to meet minimum work requirements under Minnesota
90.26 Statutes, section 119B.10, until redetermination;

91.1 (2) if education is the authorized activity of a parentally responsible individual
91.2 who is eligible under part 3400.0060 or 3400.0090, the individual's authorized activity must
91.3 meet the criteria in the CCAP agency's child care fund plan; or

91.4 (3) if the parentally responsible individual is eligible under part 3400.0080
91.5 and has an employment plan, the individual must be participating in an authorized activity
91.6 in the individual's employment plan.

91.7 B. If a parentally responsible individual began a new authorized activity prior to
91.8 the end of the extended eligibility period and does not report the new authorized activity,
91.9 authorizations are approvable retroactively from the date that the extended eligibility period
91.10 ended, as long as the parentally responsible individual reports the new authorized activity
91.11 within 90 days after eligibility ended and the parentally responsible individual met all
91.12 eligibility requirements during the time period after the case closed. A CCAP agency must
91.13 authorize child care through the end of the 12-month eligibility period as provided by part
91.14 3400.0110, subpart 3, and Minnesota Statutes, chapter 119B.

91.15 **3400.0180 REDETERMINATION OF ELIGIBILITY.**

91.16 Subpart 1. **Redetermination time frame.** A CCAP agency must redetermine each
91.17 participating family's eligibility during the time frame in Minnesota Statutes, section
91.18 119B.025, subdivision 3. A CCAP agency may establish criteria in the CCAP agency's child
91.19 care fund plan to extend redetermination due dates longer than the time frame in Minnesota
91.20 Statutes, section 119B.025, subdivision 3. A CCAP agency may defer a redetermination
91.21 until the end of the academic school year for a family in which at least one parentally
91.22 responsible individual meets the criteria in Minnesota Statutes, section 119B.025, subdivision
91.23 3, paragraph (c), clause (3). For purposes of this subpart, the end of the academic school
91.24 year is August 31 of that year.

92.1 Subp. 2. **Redetermination processing.**

92.2 A. A CCAP agency must begin processing a participant's redetermination within
92.3 ten calendar days from the date that the CCAP agency receives a redetermination form.

92.4 B. A participant must submit a signed and completed redetermination form and
92.5 must provide verification of the participant's continued eligibility under subpart 3.

92.6 C. A CCAP agency must not treat a redetermination as a new application for child
92.7 care assistance.

92.8 Subp. 3. **Verification requirements.**

92.9 A. At redetermination, a family must verify:

92.10 (1) income, if counted under Minnesota Statutes, chapter 256P, of all members
92.11 of the family, including members temporarily absent from the household;

92.12 (2) the work, education, or training activity status of each parentally
92.13 responsible individual;

92.14 (3) the family's residence, if a CCAP agency does not have verification of
92.15 the family's current address;

92.16 (4) changes in family size that the family has not verified since the most
92.17 recent eligibility determination;

92.18 (5) changes in the family's status that the family has not verified since the
92.19 most recent eligibility determination;

92.20 (6) the family's cooperation with child support enforcement under Minnesota
92.21 Statutes, section 119B.09, subdivision 1, paragraph (c);

92.22 (7) the family's assets that exceed \$1,000,000; and

92.23 (8) changes in a child's citizenship or immigration status under item D.

93.1 B. At redetermination, a family may provide verification of:

93.2 (1) income deductions as allowed by part 3400.0170. A CCAP agency must
93.3 process a redetermination without income deductions if the family has not verified income
93.4 deductions within the time frame identified in Minnesota Statutes, section 119B.025,
93.5 subdivision 3; and

93.6 (2) the school status of students 6 years of age and older with earned income.
93.7 If a family has not verified a student's school status within the time frame identified in
93.8 Minnesota Statutes, section 119B.025, subdivision 3, the student's earned income must be
93.9 counted under Minnesota Statutes, section 256P.06.

93.10 C. For a CCAP agency to authorize child care at redetermination, an eligible
93.11 family must:

93.12 (1) provide verification of the work, education, or training schedule of each
93.13 parentally responsible individual;

93.14 (2) provide the school schedule of each child who needs child care and attends
93.15 school if the schedule or school attended has changed since the most recent eligibility
93.16 determination; and

93.17 (3) provide verification of changes in a child's citizenship and immigration
93.18 status under item D.

93.19 D. A family must have at least one child who meets the citizenship or immigration
93.20 status requirement in the Federal Child Care and Development Fund, Code of Federal
93.21 Regulations, title 45, section 98.20 (c), or who is receiving child care in a setting subject to
93.22 public education standards. For a CCAP agency to authorize child care, a family must verify
93.23 the child's citizenship or immigration status unless a setting subject to public education
93.24 standards is providing care for the child.

94.1 Subp. 4. **Eligibility determination.** At redetermination, a family must meet all
94.2 applicable requirements under this chapter and Minnesota Statutes, chapter 119B, to continue
94.3 receiving child care assistance. A CCAP agency must approve a family's eligibility when
94.4 the CCAP agency receives the family's signed and completed redetermination form and
94.5 verifications within the time frame identified in Minnesota Statutes, section 119B.025,
94.6 subdivision 3, and the redetermination form and verifications indicate that the family is
94.7 eligible. If a CCAP agency determines at redetermination that a family is ineligible for
94.8 further child care assistance, the CCAP agency must terminate the family's child care
94.9 assistance as provided in part 3400.0185.

94.10 Subp. 5. **Unreported changes during 12-month eligibility period.**

94.11 A. A CCAP agency must determine if information that the CCAP agency receives
94.12 at redetermination indicates that a family met the reporting requirements in part 3400.0040,
94.13 subpart 4, during the 12-month eligibility period. If a family did not meet the reporting
94.14 requirements, a CCAP agency must determine if any unreported changes impacted the
94.15 family's eligibility or child care authorization during the previous 12-month eligibility
94.16 period.

94.17 B. If a family received more benefits than the family was eligible for during the
94.18 12-month eligibility period, a CCAP agency or the commissioner must recoup or recover
94.19 an overpayment under part 3400.0187 and Minnesota Statutes, section 119B.11, subdivision
94.20 2a.

94.21 Subp. 6. **Reported changes during 12-month eligibility period.**

94.22 A. If a family reported an income change during the 12-month eligibility period
94.23 that did not require verification under part 3400.0040, subpart 4a, and the income ends prior
94.24 to redetermination, a CCAP agency must not require a family to provide verification of that
94.25 income at redetermination.

95.1 B. When a family timely reports information required by part 3400.0040, subpart
95.2 4; a CCAP agency timely acts on the information under part 3400.0140, subpart 21; and
95.3 redetermination results in a decrease in the amount of the family's child care assistance, the
95.4 amount of child care assistance that the CCAP agency paid on behalf of the family between
95.5 the date of the change and the date that the new child care assistance payment would be
95.6 effective is not an overpayment.

95.7 Subp. 7. **Changes in authorized hours.** If redetermination results in an increase in
95.8 the number of hours that a CCAP agency authorizes for a child, the increase in hours is
95.9 effective on the first day of the service period after the CCAP agency approves the
95.10 redetermination. An increase in child care hours is effective for service periods prior to the
95.11 date that the CCAP agency approves the redetermination when the family requests and
95.12 verifies a need for additional child care hours. If redetermination results in a decrease in
95.13 the number of child care hours that a CCAP agency authorizes for a child, the decrease in
95.14 hours is effective on the first day of the service period following the 15-day adverse action
95.15 notice period.

95.16 Subp. 8. **Copayment changes.** At redetermination, the copayment must be calculated
95.17 according to Minnesota Statutes, section 119B.12. When a change in income increases the
95.18 amount of a participant's copayment, the new copayment is effective on the first day of the
95.19 service period following the 15-day adverse action notice period. When a change in income
95.20 decreases the amount of the copayment, the new copayment is effective on the first day of
95.21 the service period after a CCAP agency approves the redetermination.

95.22 Subp. 9. **Temporary breaks in authorized activity at redetermination.** At
95.23 redetermination, each family must meet the minimum authorized activity requirements in
95.24 Minnesota Statutes, section 119B.10. If a parentally responsible individual meets all eligibility
95.25 requirements and reports a temporary break from the parentally responsible individual's
95.26 authorized activity and verifies that the parentally responsible individual expects to return

96.1 to the authorized activity, the CCAP agency must suspend the parentally responsible
96.2 individual's case following the 15-day adverse action notice period. If a parentally responsible
96.3 individual meets all eligibility requirements and reports a temporary break from the parentally
96.4 responsible individual's authorized activity and does not verify that the parentally responsible
96.5 individual expects to return to the authorized activity, a CCAP agency must place the
96.6 parentally responsible individual's case in temporary ineligible status following the 15-day
96.7 adverse action notice period.

96.8 **3400.0183 TERMINATION OF CHILD CARE ASSISTANCE.**

96.9 Subpart 1. **Conditions for termination of child care assistance.**

96.10 A. A county or Tribe may terminate child care assistance of a family receiving
96.11 child care assistance when the county or Tribe receives: (1) a revised allocation from the
96.12 child care fund that is smaller than the allocation stated in the notice sent to the county or
96.13 Tribe under part 3400.0060, subpart 2; and (2) such short notice of a change in the county's
96.14 or Tribe's allocation that the county or Tribe is unable to absorb the difference in the
96.15 allocation. The county or Tribe must consult with and obtain approval from the commissioner
96.16 before terminating child care assistance for a family under this subpart.

96.17 B. If the conditions described in item A occur and a county or Tribe terminates
96.18 child care assistance for a family, the county or Tribe must give the family notice as required
96.19 by part 3400.0185, subpart 12, and terminate assistance to each family in the order of the
96.20 most recent approval date of eligibility at application, including first-time participants and
96.21 participants who previously received child care assistance and experienced a break in service
96.22 and reapplied. When funds become available, a county or Tribe must first determine the
96.23 eligibility of families whose child care assistance was terminated due to insufficient funds
96.24 before the county or Tribe approves the eligibility of new applicants.

97.1 Subp. 2. **Conditions under which termination of child care assistance is required.**

97.2 A. A CCAP agency must terminate a family's eligibility for child care assistance
97.3 under the following conditions:

97.4 (1) when the family asks the CCAP agency to terminate the family's eligibility
97.5 for child care assistance;

97.6 (2) when the family is no longer eligible to receive child care assistance under
97.7 this chapter and Minnesota Statutes, chapter 119B; or

97.8 (3) when a member of the family has been disqualified from the child care
97.9 assistance program under Minnesota Statutes, section 256.98, subdivision 8, paragraph (b).

97.10 B. During the 12-month eligibility period, a CCAP agency must terminate a
97.11 family's eligibility for child care assistance under any of the following conditions:

97.12 (1) the family's income exceeds 85 percent of the state median income;

97.13 (2) the family's assets exceed \$1,000,000;

97.14 (3) the extended eligibility period ends and the parentally responsible
97.15 individual has no authorized activity;

97.16 (4) the parentally responsible individual uses all available job search hours
97.17 outside of an employment plan under Minnesota Statutes, section 119B.10, subdivision 1,
97.18 and the parentally responsible individual has no authorized activity;

97.19 (5) the family does not pay a copayment;

97.20 (6) the family moves out of the state;

97.21 (7) there are no eligible children in the family's household;

98.1 (8) the only parentally responsible individual in the household has been
98.2 temporarily absent for more than 60 days and the parentally responsible individual has no
98.3 authorized activity or the extended eligibility period ends;

98.4 (9) the family's temporary ineligibility period expires; or

98.5 (10) the family's one year suspension period expires.

98.6 C. At redetermination, a CCAP agency must terminate a family's eligibility for
98.7 child care assistance under any of the following conditions:

98.8 (1) the family's income exceeds 67 percent of the state median income;

98.9 (2) the family's assets exceed \$1,000,000;

98.10 (3) the family is not in an authorized activity that meets any applicable
98.11 minimum participation requirements;

98.12 (4) the family is not cooperating with child support;

98.13 (5) the CCAP agency has not received the family's redetermination form and
98.14 all required eligibility verifications by the last day of the redetermination period;

98.15 (6) the family's temporary ineligibility period has expired;

98.16 (7) the family's one year suspension period has expired; or

98.17 (8) the family's only child who is eligible for child care assistance is 13 years
98.18 of age or older or 15 years of age or older when the child has a documented disability.

98.19 Subp. 3. [Repealed, 33 SR 695]

98.20 Subp. 4. [Repealed, 33 SR 695]

98.21 Subp. 5. **Effective date of disqualification period for families.** The effective date
98.22 of a disqualification period for a family is the later of:

99.1 A. the date that the family member was found guilty of wrongfully obtaining or
 99.2 attempting to obtain child care assistance by a federal court or a state court, or an
 99.3 administrative disqualification hearing determination or waiver; through a disqualification
 99.4 consent agreement; as part of an approved diversion plan under Minnesota Statutes, section
 99.5 401.065; or as part of a court-ordered stay with probationary or other conditions; or

99.6 *[For text of item B, see Minnesota Rules]*

99.7 Subp. 6. **Effective date of disqualification period for child care provider.** The
 99.8 effective date of a disqualification period for a child care provider is the later of:

99.9 A. the date that the child care provider was found guilty of an intentional program
 99.10 violation or wrongfully obtaining child care assistance by a federal court, a state court, or
 99.11 an administrative disqualification hearing determination or waiver; through a disqualification
 99.12 consent agreement; as part of an approved diversion plan under Minnesota Statutes, section
 99.13 401.065; or as part of a court-ordered stay with probationary or other conditions; or

99.14 B. the effective date of the child care assistance program termination notice.

99.15 **3400.0185 NOTICE REQUIREMENTS.**

99.16 Subpart 1. [See repealer.]

99.17 Subp. 2. [See repealer.]

99.18 Subp. 3. [See repealer.]

99.19 Subp. 4. [See repealer.]

99.20 Subp. 5. [See repealer.]

99.21 Subp. 6. **Notice of eligibility approval to family.** A CCAP agency must notify a
 99.22 family in writing of the CCAP agency's approval of the family's eligibility.

99.23 A. The approval notice must include:

- 100.1 (1) the date that the family's eligibility began;
- 100.2 (2) the family's gross annual income as determined under part 3400.0170;
- 100.3 (3) the family's copayment amount, including how and when the family must
- 100.4 pay the copayment;
- 100.5 (4) the family's responsibility for paying child care provider charges that
- 100.6 exceed the maximum amount of child care payments in addition to the copayment;
- 100.7 (5) the reporting requirements under part 3400.0040, subpart 4; and
- 100.8 (6) the provisions for recoupment or recovery of an overpayment if the family
- 100.9 does not meet the reporting requirements in subitem (5).

100.10 B. The approval notice must state that once a family selects a child care provider
 100.11 who is eligible to receive payment from the child care fund, the child care provider and the
 100.12 family will receive notice from the CCAP agency stating the number of hours of child care
 100.13 that the CCAP agency authorizes and the maximum rate payable under the child care fund.

100.14 C. The approval notice must state that, except in cases in which the license of a
 100.15 child care provider licensed by Minnesota has been temporarily immediately suspended
 100.16 under Minnesota Statutes, section 245A.07, or in which there is an imminent risk of harm
 100.17 to the health, safety, or rights of a child in the care of a legal nonlicensed child care provider,
 100.18 certified license-exempt child care center, or child care provider licensed by an entity other
 100.19 than the state of Minnesota, the family must report any change in child care provider to the
 100.20 CCAP agency and the child care provider at least 15 calendar days before the change occurs
 100.21 and include the overpayment implications for not reporting the change.

100.22 D. The approval notices must state that when a CCAP agency terminates a
 100.23 participant's child care assistance eligibility, the CCAP agency must inform the participant
 100.24 of the reason for the termination and the participant's appeal rights.

101.1 Subp. 7. **Notice of eligibility denial to family.** A CCAP agency must notify a family
101.2 in writing of a denial of a family's eligibility. The denial notice must include:

101.3 A. the reason for the denial;

101.4 B. the provision in statute, rule, or the CCAP agency's child care fund plan that
101.5 forms the basis of the denial; and

101.6 C. the parentally responsible individual's right to a fair hearing under part
101.7 3400.0230 and Minnesota Statutes, section 119B.16.

101.8 Subp. 8. **Notice of authorization to family.** A CCAP agency must notify a family in
101.9 writing when the CCAP agency authorizes a family's child care with a child care provider
101.10 that meets the criteria in part 3400.0120, subpart 1. The authorization notice must include:

101.11 A. the family's name;

101.12 B. a statement that the CCAP agency approves of the family's request for child
101.13 care assistance;

101.14 C. the number of hours of child care that the CCAP agency authorizes per service
101.15 period;

101.16 D. the maximum rate payable under the child care fund;

101.17 E. the number of absent days that the CCAP agency has paid for the child during
101.18 the calendar year as of the date of the notice; and

101.19 F. the amount of the family's copayment.

101.20 Subp. 9. **Notice of authorization to child care provider.** A CCAP agency must
101.21 notify a child care provider in writing when the CCAP agency approves of a family's
101.22 eligibility and authorizes child care with a child care provider that meets the criteria in part
101.23 3400.0120, subpart 1. The authorization notice must include:

- 102.1 A. the family's name;
- 102.2 B. a statement that the CCAP agency approves of the family's request for child
- 102.3 care assistance;
- 102.4 C. the number of hours of child care that the CCAP agency authorizes per service
- 102.5 period;
- 102.6 D. the maximum rate payable under the child care fund;
- 102.7 E. the number of absent days that the CCAP agency has paid for the child during
- 102.8 the calendar year as of the date of the notice;
- 102.9 F. how the CCAP agency will issue child care assistance payments to the child
- 102.10 care provider; and
- 102.11 G. the amount of the family's copayment.

102.12 **Subp. 10. Notice to family of adverse action.**

- 102.13 A. A CCAP agency must give a participant written notice of any action that
- 102.14 adversely affects the participant's child care assistance eligibility or authorization.
- 102.15 B. The notice must include:
 - 102.16 (1) a description of the adverse action;
 - 102.17 (2) the effective date of the adverse action;
 - 102.18 (3) the reason for the adverse action;
 - 102.19 (4) the provision in statutes, rules, or the CCAP agency's child care fund plan
 - 102.20 that supports the adverse action;
 - 102.21 (5) a statement that the participant has the right to appeal the adverse action
 - 102.22 and the procedure for an appeal; and

103.1 (6) a statement that if the participant appeals the adverse action before the
103.2 effective date of the action, the participant may:

103.3 (a) continue receiving the same level of benefits while the appeal is
103.4 pending, subject to recoupment or recovery if the adverse action is upheld; or

103.5 (b) receive the level of benefits indicated by the adverse action while
103.6 the appeal is pending and have an eligible child care provider under part 3400.0120, subpart
103.7 1, receive reimbursement for documented eligible child care expenditures pending appeal
103.8 if the adverse action is reversed when the child care provider bills according to Minnesota
103.9 Statutes, section 119B.13, subdivision 6, paragraphs (a) to (c).

103.10 C. A CCAP agency must mail the notice to the participant's last known address
103.11 at least 15 calendar days before the effective date of the adverse action.

103.12 D. If the participant corrects the conditions underlying the adverse action before
103.13 the effective date of the adverse action, the adverse action must not take effect.

103.14 Subp. 11. **Notice to child care provider of action adverse to family.** A CCAP agency
103.15 must give a child care provider written notice of a reduction in the hours of authorized child
103.16 care or an increase in the family's copayment. A CCAP agency must mail the notice to the
103.17 child care provider at least 15 calendar days before the effective date of the adverse action
103.18 and include:

103.19 A. the family's name;

103.20 B. a description of the adverse action that omits information about the reasons for
103.21 the adverse action;

103.22 C. the effective date of the adverse action; and

103.23 D. a statement that unless the family appeals the adverse action before the effective
103.24 date, the adverse action will occur on the effective date.

104.1 Subp. 12. **Notice of termination of child care assistance to family.**

104.2 A. A CCAP agency must notify a participant in writing of the termination of the
104.3 participant's child care assistance. The notice must include:

104.4 (1) the date that the termination is effective;

104.5 (2) the reason that the CCAP agency is terminating the participant's child
104.6 care assistance;

104.7 (3) the provision in statutes, rules, or the CCAP agency's child care fund plan
104.8 that supports terminating the participant's assistance;

104.9 (4) a statement that the participant has a right to appeal the termination and
104.10 the procedure for an appeal; and

104.11 (5) a statement that if the participant appeals the proposed action before the
104.12 effective date of the termination, the participant may:

104.13 (a) continue receiving the same level of benefits while the appeal is
104.14 pending, subject to recoupment or recovery if the termination is upheld; or

104.15 (b) not receive benefits while the appeal is pending and have an eligible
104.16 child care provider under part 3400.0120, subpart 1, receive reimbursement for documented
104.17 eligible child care expenditures made or incurred pending appeal if the termination is reversed
104.18 when the child care provider bills according to Minnesota Statutes, section 119B.13,
104.19 subdivision 6, paragraphs (a) to (c).

104.20 B. A CCAP agency must mail the notice to the participant's last known address
104.21 at least 15 calendar days before terminating the participant's child care assistance.

104.22 C. If the CCAP agency terminates the participant's child care assistance under
104.23 part 3400.0183, subpart 2, item A, subitem (1), and, before the effective date of termination,
104.24 the participant requests to continue receiving child care assistance, the termination must

105.1 not take effect. If a CCAP agency terminates the participant's child care assistance under
105.2 part 3400.0183, subpart 2, item A, subitem (2), and, before the effective date of termination,
105.3 the participant reestablishes eligibility for child care assistance, the termination must not
105.4 take effect.

105.5 **Subp. 13. Notice of termination of child care assistance to child care provider.**

105.6 A. A CCAP agency must notify a family's child care provider in writing when a
105.7 CCAP agency terminates a family's child care assistance. The CCAP agency must mail the
105.8 termination notice to the child care provider at least 15 calendar days before the effective
105.9 date of the termination and include:

105.10 (1) the family's name;

105.11 (2) a statement that the CCAP agency has terminated the family's child care
105.12 assistance;

105.13 (3) the effective date of the termination; and

105.14 (4) a statement that the CCAP agency will no longer issue child care payments
105.15 for the family's child care that a child care provider provides after the date of termination,
105.16 unless the family requests to continue receiving child care assistance pending an appeal.

105.17 B. A CCAP agency must notify a family's child care provider in writing when the
105.18 family decides to no longer use the child care provider. A CCAP agency must mail a
105.19 termination notice to a child care provider at least 15 calendar days before the effective date
105.20 of the termination and must include:

105.21 (1) the family's name;

105.22 (2) a statement that the family has decided to no longer use the child care
105.23 provider;

106.1 (3) the effective date when the child care assistance authorization will end;
106.2 and

106.3 (4) a statement that the CCAP agency will no longer issue child care payments
106.4 for the family's child care that a child care provider provides after the date of the termination.

106.5 C. This item applies to child care providers licensed in Minnesota. Except in cases
106.6 in which the provider's license has been temporarily immediately suspended under Minnesota
106.7 Statutes, section 245A.07, a CCAP agency must mail a notice of termination to a child care
106.8 provider at least 15 calendar days before terminating payment to the child care provider.
106.9 When a child care provider's license has been temporarily immediately suspended under
106.10 Minnesota Statutes, section 245A.07, a CCAP agency must send a notice of termination to
106.11 the child care provider that is effective on the date of the temporary immediate suspension.

106.12 D. This item applies to legal nonlicensed child care providers, certified
106.13 license-exempt child care centers, and child care providers licensed by an entity other than
106.14 the state of Minnesota. Except in cases in which there is an imminent risk of harm to the
106.15 health, safety, or rights of a child in child care, a CCAP agency must mail a notice of
106.16 termination to a child care provider at least 15 calendar days before terminating payment
106.17 to the child care provider. In cases in which there is an imminent risk of harm to the health,
106.18 safety, or rights of a child in child care, a CCAP agency must send a notice of termination
106.19 to the child care provider that is effective on the date of the notice.

106.20 E. When a child care provider's payment is suspended under Minnesota Statutes,
106.21 chapter 245E, or a child care provider's registration is denied or revoked under Minnesota
106.22 Statutes, section 119B.13, subdivision 6, paragraph (d), clause (1) or (2), a CCAP agency
106.23 or the commissioner must send a notice of termination to the child care provider effective
106.24 on the date that the CCAP agency or the commissioner creates the notice.

107.1 **3400.0187 RECOUPMENT AND RECOVERY OF OVERPAYMENTS.**

107.2 Subpart 1. [See repealer.]

107.3 Subp. 1a. [Repealed, 33 SR 695]

107.4 Subp. 1b. **Calculation of overpayment.** When determining an overpayment, a CCAP
107.5 agency or the commissioner must assess the dates during which a family or child care
107.6 provider received more child care assistance than the family or child care provider was
107.7 eligible to receive. With the exception of overpayments designated solely as agency error
107.8 under Minnesota Statutes, section 119B.11, subdivision 2a, paragraph (a), the overpayment
107.9 must include all amounts that the CCAP agency or commissioner determines were overpaid
107.10 according to time frames specified in Minnesota Statutes, section 119B.11, subdivision 2a,
107.11 paragraph (h).

107.12 Subp. 2. **Notice of overpayment.** A CCAP agency or the commissioner must notify
107.13 the person, persons, or entity who is assigned responsibility for the overpayment of the
107.14 overpayment in writing. A notice of overpayment must specify the reason for the
107.15 overpayment, the time period during which the overpayment occurred, the amount of the
107.16 overpayment, and the right to appeal the CCAP agency's or commissioner's overpayment
107.17 determination.

107.18 Subp. 3. [See repealer.]

107.19 Subp. 4. **Recoupment of overpayments from participants.** A CCAP agency or the
107.20 commissioner must recoup an overpayment by reducing the amount of assistance paid to
107.21 or on behalf of the family for every service period at the rates in item A, B, C, or D until
107.22 the overpayment debt is retired.

107.23 A. When a family has an overpayment due to a child care provider error or a
107.24 combination of child care provider and agency error, the recoupment amount is one-fourth
107.25 of the family's copayment or \$10, whichever is greater.

108.1 B. When a family has an overpayment due to the family's first failure to report
108.2 changes as required by part 3400.0040, subpart 4, or a combination of a family's first failure
108.3 to report and agency error, the recoupment amount is one-half of the family's copayment
108.4 or \$10, whichever is greater.

108.5 C. When a family has an overpayment due to the family's failure to provide
108.6 accurate information at the time of application or redetermination or the family's second or
108.7 subsequent failure to report changes as required by part 3400.0040, subpart 4, or a
108.8 combination of these violations with agency error, the recoupment amount is one-half of
108.9 the family's copayment or \$50, whichever is greater.

108.10 D. When a family has an overpayment due to a violation of Minnesota Statutes,
108.11 section 256.98, as established by a court conviction, a court-ordered stay of a conviction
108.12 with probationary or other terms, a disqualification agreement, a pretrial diversion, or an
108.13 administrative disqualification hearing or waiver, the recoupment amount equals the greater
108.14 of:

108.15 *[For text of subitems (1) to (3), see Minnesota Rules]*

108.16 E. This item applies to families who have been disqualified or found to be ineligible
108.17 for the child care assistance program and who have outstanding overpayments. If a
108.18 disqualified or previously ineligible family returns to the child care assistance program, a
108.19 CCAP agency or the commissioner must begin recouping the family's outstanding
108.20 overpayment using the recoupment schedule in items A to D unless another repayment
108.21 schedule has been specified in a court order.

108.22 *[For text of item F, see Minnesota Rules]*

108.23 Subp. 5. [Repealed, 33 SR 695]

108.24 Subp. 6. **Recoupment of overpayment from child care provider.** If a child care
108.25 provider continues to receive child care assistance payments, a CCAP agency or the

109.1 commissioner must recoup an overpayment by reducing the amount of assistance paid to
109.2 the child care provider for every payment at the rates in item A, B, or C until the overpayment
109.3 debt is retired.

109.4 A. When a child care provider has an overpayment due to a family error or a
109.5 combination of family and agency error, the recoupment amount is one-tenth of the provider's
109.6 payment or \$20, whichever is greater.

109.7 B. When a child care provider has an overpayment due to the child care provider's
109.8 failure to provide accurate information or a combination of a child care provider's failure
109.9 to report accurate information and agency error, the recoupment amount is one-fourth of
109.10 the child care provider's payment or \$50, whichever is greater.

109.11 C. When a child care provider has an overpayment due to a violation of Minnesota
109.12 Statutes, section 256.98, as established by a court conviction, a court-ordered stay of
109.13 conviction with probationary or other terms, a disqualification agreement, a pretrial diversion,
109.14 or an administrative disqualification hearing or waiver, the recoupment amount equals the
109.15 greater of:

109.16 (1) one-half of the child care provider's payment;

109.17 *[For text of subitems (2) and (3), see Minnesota Rules]*

109.18 D. This item applies to child care providers who have been disqualified from or
109.19 are no longer able to be authorized by the child care assistance program and who have
109.20 outstanding overpayments. If a child care provider returns to the child care assistance
109.21 program as a child care provider or a participant, a CCAP agency or the commissioner must
109.22 begin recouping the child care provider's outstanding overpayment using the recoupment
109.23 schedule in items A to C unless another repayment schedule has been specified in a court
109.24 order.

110.1 E. If a child care provider has more than one overpayment assessed for different
 110.2 incidents, a CCAP agency or the commissioner must not consolidate the overpayments into
 110.3 one overpayment. Instead, each overpayment must be recouped according to the schedule
 110.4 in this subpart from the payment made to the child care provider for the service period. If
 110.5 the amount to be recouped in a service period exceeds the payment to the child care provider
 110.6 for that service period, the amount recouped must be applied to overpayments in the following
 110.7 order:

110.8 *[For text of subitems (1) to (3), see Minnesota Rules]*

110.9 F. If the commissioner or more than one CCAP agency assesses multiple
 110.10 overpayments to a child care provider for the same incident, the commissioner or each
 110.11 CCAP agency must assess each overpayment separately. A CCAP agency or the
 110.12 commissioner must recoup only one overpayment per incident at a time according to the
 110.13 schedule in this subpart until the overpayment debt is retired. A CCAP agency or the
 110.14 commissioner must recoup any overpayment that the commissioner or CCAP agency assesses
 110.15 for a different incident simultaneously under item E.

110.16 **3400.0230 RIGHT TO FAIR HEARING.**

110.17 Subpart 1. [Repealed, 33 SR 695]

110.18 Subp. 2. [Repealed, 33 SR 695]

110.19 Subp. 3. **Child care payments pending fair hearing.**

110.20 A. If the applicant or participant requests a fair hearing before the effective date
 110.21 of termination or adverse action or within ten days after the date of mailing the notice,
 110.22 whichever is later, the commissioner or CCAP agency must not terminate the applicant's
 110.23 or participant's child care assistance or take the adverse action until the conclusion of the
 110.24 fair hearing. Child care assistance paid pending a fair hearing is subject to recovery under

111.1 part 3400.0187 to the extent that the commissioner finds on appeal that the participant was
111.2 not eligible for the amount of child care assistance paid.

111.3 B. If the commissioner finds on appeal that child care assistance should have been
111.4 terminated or the amount of benefits reduced, a CCAP agency must send a notice of
111.5 termination or reduction in benefits to the family and the child care provider as required by
111.6 part 3400.0185 and determine if an overpayment needs to be recouped or recovered according
111.7 to Minnesota Statutes, section 119B.11, subdivision 2a.

111.8 C. A participant may appeal the termination of child care assistance and choose
111.9 not to receive child care assistance pending the appeal. If the commissioner finds on appeal
111.10 that child care assistance should not have been terminated, a CCAP agency must reinstate
111.11 the participant's eligibility retroactively from the date of the termination and issue payments
111.12 to an eligible child care provider under part 3400.0120, subpart 1, when the child care
111.13 provider bills according to Minnesota Statutes, section 119B.13, subdivision 6, paragraphs
111.14 (a) to (c), for child care expenditures incurred pending the appeal.

111.15 Subp. 4. **Child care payments pending fair hearing or administrative**
111.16 **disqualification hearing.**

111.17 A. If a child care provider requests a fair hearing before the effective date of a
111.18 termination or an adverse action, the termination or adverse action must not take effect until
111.19 the conclusion of the hearing, unless:

111.20 (1) the child care provider appeals the assignment of responsibility, amount,
111.21 or recovery of an overpayment, in which case the recoupment or recovery of the overpayment
111.22 will occur while the appeal is pending;

111.23 (2) the fair hearing is stayed under Minnesota Statutes, section 119B.16,
111.24 subdivision 3; or

112.1 (3) the adverse action entitles the child care provider to an administrative
112.2 review under Minnesota Statutes, section 119B.161.

112.3 B. Child care assistance that a CCAP agency pays to a child care provider pending
112.4 a hearing is subject to recovery under part 3400.0187 when the commissioner finds on
112.5 appeal that the child care provider was not eligible for the paid amount of child care
112.6 assistance.

112.7 C. A child care provider may request a fair hearing under Minnesota Statutes,
112.8 section 119B.16, subdivision 1a, and choose not to receive child care assistance pending
112.9 appeal. If, on appeal, the commissioner finds that child care assistance should not have been
112.10 terminated or an adverse action should not have been taken:

112.11 (1) the child care provider must complete the registration process in Minnesota
112.12 Statutes, section 119B.011, subdivision 19a; and

112.13 (2) a CCAP agency or the commissioner must reimburse the child care
112.14 provider for documented eligible child care expenditures made or incurred pending the
112.15 appeal for dates of service when the child care provider was eligible under part 3400.0120,
112.16 subpart 1, and the child care provider bills according to Minnesota Statutes, section 119B.13,
112.17 subdivision 6, paragraphs (a) to (c).

112.18 **Subp. 5. Child care payments pending administrative review.**

112.19 A. If a child care provider requests an administrative review under Minnesota
112.20 Statutes, section 119B.161, a CCAP agency or the commissioner must stop payments during
112.21 the administrative review.

112.22 B. If a child care provider's payments are suspended under Minnesota Statutes,
112.23 chapter 245E, or the child care provider's registration is denied or revoked under Minnesota
112.24 Statutes, section 119B.13, subdivision 6, paragraph (d), clause (1) or (2), and:

113.1 (1) the commissioner or a law enforcement authority subsequently determines
113.2 there is insufficient evidence warranting the action and a CCAP agency or the commissioner
113.3 does not pursue an administrative remedy under Minnesota Statutes, chapter 119B or 245E,
113.4 or Minnesota Statutes, section 256.98; or

113.5 (2) all criminal, civil, and administrative proceedings related to the child care
113.6 provider's alleged misconduct conclude in the child care provider's favor and all appeal
113.7 rights are exhausted; or

113.8 (3) the commissioner finds good cause exists under Minnesota Statutes,
113.9 section 119B.161, subdivision 4, not to deny, revoke, or suspend a child care provider's
113.10 registration, or not to continue a denial, revocation, or suspension of a child care provider's
113.11 registration, and the child care provider chooses to resume receiving child care assistance
113.12 payments, then:

113.13 (a) the child care provider must complete the registration process in
113.14 Minnesota Statutes, section 119B.011, subdivision 19a; and

113.15 (b) a CCAP agency or the commissioner must reimburse the child care
113.16 provider for documented eligible child care expenditures made or incurred pending the
113.17 administrative review for dates of service when the child care provider was eligible under
113.18 part 3400.0120, subpart 1, and the child care provider bills according to Minnesota Statutes,
113.19 section 119B.13, subdivision 6, paragraphs (a) to (c).

113.20 **REPEALER.** (a) Minnesota Rules, parts 3400.0020, subparts 4, 24, and 38; 3400.0030;
113.21 3400.0035, subparts 4, 5, and 6; 3400.0040, subpart 7; 3400.0060, subparts 6, 6a, 7, and 8;
113.22 3400.0100, subparts 2b and 2c; 3400.0110, subpart 2a; 3400.0140, subparts 4 and 5;
113.23 3400.0185, subparts 1, 2, 3, and 4; 3400.0187, subparts 1 and 3; 3400.0200; 3400.0220;
113.24 and 3400.0235, subparts 1, 2, 3, 4, 5, and 6, are repealed.

113.25 (b) Minnesota Rules, part 3400.0185, subpart 5, is repealed effective February 26, 2021.



Children and Family Services, Child Care Assistance Program

Proposed Amendment to Rules Governing the Child Care Assistance Program, *Minnesota Rules*, Parts 3400.0010 through 3400.0235; Revisor's ID 4560

OAH Docket number 82-9029-35572

EXHIBIT L-2: CHANGES TO THE RULES AS PROPOSED AFTER THE COMMENT PERIOD FOLLOWING THE NOTICE OF INTENT TO ADOPT WITH JUSTIFICATIONS

RE: Proposed Amendment to Rules Governing the Child Care Assistance Program, Minnesota Rules, Parts 3400.0010 through 3400.0235; Revisor's ID No. 4560

Changes to the rules as proposed with justifications

The following changes to the rules as proposed after the comment period following the Notice of Intent to Adopt are made either in response to comments, to align with recent statutory changes, to better serve the families seeking child care assistance and child care providers, or to make the child care assistance program (CCAP) more efficient with little or no impact on families, child care providers, or child care assistance program agencies. All of the changes are within the scope of the CCAP, governed by Minnesota Rules, parts 3400.0010 through 3400.0235, as noted in the subject of the rules and statutory authority section of the Dual Notice of Intent to Adopt Rules. Therefore, these changes are not substantially different from the rules as proposed. The line references are for the Revisor's Draft AR4560, and the changes are identified in red and underline (additions) or strikethrough (deletions).

Line 4.3

Part 3400.0020, subp. 11a. **Child in an at-risk population.** "Child in an at-risk population" means a child with environmental or familial factors that may create barriers to the child's optimal achievement, such as a federal or state disaster, limited English proficiency in a family, a history of abuse or neglect, a determination that the child is at risk of abuse or neglect, family violence, homelessness, the age of the child's mother, the level of maternal education, mental illness, a developmental disability, parental chemical dependency, or a history of other substance abuse.

Justification: The Department received two comments on this definition. Commenters felt that the definition implied personal shortcoming of families participating in CCAP and did not acknowledge the systematic barriers that families of low incomes often face. The definition is necessary to allow higher payments to child care providers who offer specialized services to better meet the needs of children with risk factors (see Minn. R. 3400.0130, subp. 3b). The Department is adding "may" to the definition to address the concern that not *all* children who face these situations are automatically deemed at-risk, but rather that children in these situations *may* be at-risk, while still allowing children in potential situations of risk to access specialized services from a child care provider.

Lines 4.18 – 4.19

Part 3400.0020, subp. 12b. **Child care assistance program.** "Child care assistance program" means financial assistance for child care costs. The child care assistance program supports a parentally responsible individual with a low income who is employed, engaged in a job search, or engaged in education. The child care assistance program ensures that children of parentally responsible individuals have access to child care and are prepared to enter school thrive as successful learners.

Justification: This change to the definition of the child care assistance program regarding how it relates to a child's school readiness better reflects the intent of the Minnesota Department of Education's "Successful Learners Equation." This approach to shift away from using the term "school readiness" is centered in equity and recognizes that kindergartens start school with a wide range of skills, knowledge, and experiences from a variety of settings, and that all age-eligible students should be welcomed to start school, regardless of specific skills or behaviors.¹ This revision is necessary and reasonable as it is

¹ See Minnesota Department of Education's "Kindergarten Eligibility and Enrollment Brief" dated 6/29/21, available on the MDE website at <https://education.mn.gov/mde/dse/kind/> (last visited August 23, 2022).

inclusive of all children receiving child care assistance by supporting a child's development and well-being, and not solely focusing on school readiness.

Line 55.7

Part 3400.0110, subp.9, item H, subitem (3) The exemption may begin on the first day of the child's illness, but not more than 3090 days prior to the date that the CCAP agency receives documentation of the child's illness.

Justification: Minn. Stat. § 119B.13, subd. 7(b) allows the commissioner to set timelines for families and child care providers to submit documentation of medical conditions that cause a child to have more frequent absences from child care. The change increases the allowable exemption begin date from 30 days to 90 days from the date the CCAP agency receives documentation. This change is beneficial to both the family and the child care provider. The Department recognizes that 30 days is not always adequate time for a family to obtain documentation from a medical professional. During the pandemic, this became even more apparent. This change is necessary and reasonable because delay in documentation could result in a family accruing absent days over the 25 day calendar year limit, incurring a large bill for child care expenses, and a child no longer be allowed to attend care with a provider. Allowing 90 days is also consistent with the time frames for temporarily ineligibility under proposed Minn. R., part 3400.0040, subp. 17 and assistance for persons who are homeless under Minn. Stat. § 119B.095, subd. 3. The Department issued memos to providers and CCAP agencies on January 4, 2022 and April 12, 2022, announcing changes to this policy effective January 1, 2022. This is a clarifying change that does not create new burdens or administrative costs for parties administering child care assistance beyond those specified in statute.

Changes to 3400.0170 governing the treatment of self-employment income for program eligibility

General justification: In the 2021 legislative session, changes were made to Minnesota Statutes, chapter 256P regarding self-employment policies. These changes aligned many self-employment policies for cash assistance programs, Supplemental Nutrition Assistance Program (SNAP), and CCAP. Under previous policy, self-employment income was calculated based on a family's gross receipts less allowable operating expenses, and self-employment loses offset any other types of earned or unearned income. Effective May 1, 2022, income determination methods for families receiving CCAP and participating in self-employment changed. According to Minn. Stat. § 256P.05, subd. 2, applicants and participants must now choose one of two income determination methods for determining self-employment income: 1) fifty percent of gross income from self-employment or 2) taxable self-employment income as determined from the Internal Revenue Service (IRS) tax form filed for the most recent year and following SNAP guidance. The following changes to part 3400.0170 are necessary and reasonable to align with statute and reflect the appropriate methods to determine a family's self-employment income, and to replace or remove outdated guidance.

Lines 82.18 – 82.20

Part 3400.0170, subp. 4. **Determination of gross annual income.** The income standard for determining eligibility for child care assistance is a family's gross annual income. A family's gross annual income is the sum of each family member's income sources under Minnesota Statutes, sections 119B.011, subdivision 15, and 256P.01, subdivisions 3 and 8, including earned income, self-employment income, unearned income, and lump sum payments. A CCAP agency must include offset negative self-employment income from one business against self-employment income from a different business in the determination of a family's gross annual income, resulting in a reduction in total gross annual income from self-

employment. Lump sum payments that a family receives prior to participating in the child care assistance program are not included in the family's total gross annual income. If a participant's eligibility ends after receiving a lump sum and the participant reapplies for child care assistance, a CCAP agency must count the lump sum for 12 months from the date of the lump sum receipt. A CCAP agency must calculate earned income, self-employment income, unearned income, and lump sum payments separately.

Justification: Minn. Stat. § 256P.05, subd. 2 does not address business losses. Therefore, it is necessary and reasonable to address business losses in rule. When the taxable income method is used, self-employment income may result in a loss. This change clarifies that if income from a self-employment business results in a loss after the calculation is completed and the family has more than one self-employment business, the negative income from one self-employment business may offset the self-employment income from another business(es). This change is reasonable because it uses negative self-employment income to offset income from other self-employment within the greater income calculation. This change is also necessary to reflect current CCAP policy and align with cash assistance and SNAP self-employment policy.

Lines 84.1 – 84.11

Part 3400.0170, subp. 7. **Earned income from self-employment.** In determining a family's gross annual income for purposes of eligibility under this part, a CCAP agency must determine earned income from self-employment according to Minnesota Statutes, section 256P.05, subdivision 2. If a family provides verification for and meets income and authorized activity eligibility requirements under both income determination methods but does not choose a method, the CCAP agency must use the method that results in the lowest copayment to the family.

A. ~~Earned income from self-employment is the difference between gross receipts and authorized self-employment expenses which may that must not include expenses under subpart 8.~~

(1) A family must provide verification of self-employment income for either income determination method and provide expenses for the taxable income method document gross receipts and self-employment expenses with business records, such as charts of accounts, books, ledgers, and tax schedules.

Justification: This change with regard to how a CCAP agency determines a self-employed family's gross annual income adds a cross reference to Minn. Stat. § 256P.05, subd. 2, which allows for the use of one of two income determination methods. Further changes to item A address what a family must provide to a CCAP agency to allow the CCAP agency to determine the family's self-employment income under each income determination method. These changes are necessary and reasonable to better align with statute and provide guidance and clarity for CCAP agencies. The changes are also beneficial for families as the eligibility determination results in the lowest copayment to the family, reducing a family's out of pocket cost for child care expenses.

Lines 84.12 – 84.18

Part 3400.0170, subp. 7. ~~(2) B.~~ At the time of application, or redetermination, or during the 12-month eligibility period, a CCAP agency must allow a family in the start-up phase of self-employment to submit a self-attestation verifying income if financial documentation is unavailable or insufficient to accurately predict self-employment income. A family is subject to recoupment or recovery of an overpayment under part 3400.0187 and Minnesota Statutes, section 119B.11, subdivision 2a, if the commissioner or CCAP agency determines that the family's estimated income does not reflect the family's actual income.

Justification: Changes to this item include removing language that only allows for self-attestation during the start-up phase of self-employment. When language was previously drafted, the Department did not intend to limit when a self-attestation can be accepted. Self-attestation during the start-up phase of self-employment is one example of when a family may not have appropriate financial documentation, but there may be other instances when a family would need to submit a self-attestation.

The Department is also removing language addressing overpayments for families if the family's estimated income as verified using a self-attestation does not reflect their actual income. Minn. Stat. § 119B.11, subd. 2a governs the recovery or recoupment of an overpayment from a family. Therefore, including this detail in rule provides no additional context and is unnecessary.

Lines 84.19 – 85.1

Part 3400.0170, subp. 7. ~~C. A family may change the method of self-employment income determination when the current income calculation does not provide the most accurate assessment of annual ongoing income available to the family. The family must meet verification requirements of the chosen method.~~

~~B. D.~~ Self-employment business records must be kept separate from the family's personal records.

~~C. E.~~ If the person's business is a partnership or a corporation and that person is drawing a salary, the salary must be treated as earned income.

Justification: Minn. Stat. § 256P.05, subd. 3 states that applicants and participants who elect to use the taxable income methods must continue to use that method until recertification. However, Minn. Stat. § 256P.05, subd. 1 states that participants who qualify for child care assistance under chapter 119B are exempt from subdivision 3, therefore placing no limits on how often a family's self-employment income determination method can be changed. This new language is necessary and reasonable as it provides guidance and clarity for CCAP agencies in allowing a family's income to be determined more frequently than at redetermination. This change is also beneficial for families by allowing them to receive the maximum CCAP benefit they are eligible for.

Lines 85.3 – 86.6

Part 3400.0170. ~~Subp. 8. Self-employment deductions which are not allowed. In determining eligibility under this part, self-employment expenses must be subtracted from gross receipts. However, the expenses listed in items A to L must not be subtracted from gross receipts:~~

~~*{For text of items A to F, see Minnesota Rules}*~~

~~G. the cost of transportation between the individual's home and his or her the individual's place of employment;~~

~~*{For text of item H, see Minnesota Rules}*~~

~~I. expenses not allowed by the United States Internal Revenue Code for self-employment income, unless specifically authorized in this chapter;~~

~~J. federal, state, and local income taxes;~~

~~K. employer's own share of FICA; and~~

~~L. money set aside for the self-employed person's own retirement.~~

~~Subp. 9. **Self-employment budget period.** A family must budget gross receipts from self-employment must be budgeted in the month in which they are received the family received gross receipts. Expenses must be budgeted against gross receipts in the month that the family paid the expenses are paid except for items A to C.~~

~~A. The purchase cost of inventory items, including materials that are processed or manufactured, must be deducted as an expense at the time that a family receives payment is received for the sale of those inventory items, processed materials, or manufactured items, regardless of when those costs are incurred or paid.~~

~~B. Expenses and other costs that are commonly paid at least annually, but less often than monthly, must be prorated forward as deductions from gross receipts over the period they are intended to cover, beginning with the month in which the payment for these items is made.~~

~~C. Gross receipts from self-employment must be prorated forward to equal the period of time during which the expenses were incurred. However, gross receipts must not be prorated over a period that exceeds 12 months. This provision applies only when gross receipts are not received monthly but expenses are incurred on an ongoing monthly basis.~~

Justification: The Department is repealing Minn. R. 3400.0170, subs. 8 and 9 in their entirety because they no longer align with Minn. Stat. § 256P.05, subd. 2.

Lines 86.8 – 86.10

Part 3400.0170, subp. 10. **Determination of farm income.** Farm income must be determined for a one-year period. Farm income is ~~determined according to Minnesota Statutes, section 256P.05, subdivision 2~~ gross receipts minus operating expenses, except for expenses listed in subpart 8. Gross ~~receipts~~ income includes items such as sales, rents, subsidies, farm-related insurance payments, soil conservation payments, production derived from livestock, and income from the sale of home-produced foods.

Justification: This change to the method by which a CCAP agency determines farming income adds a cross reference to Minn. Stat. § 256P.05, subd. 2, which allows for the use of one of two income determination methods. The change is necessary and reasonable as it reflects current policy.

Lines 86.17 – 87.16

Part 3400.0170, subp. 11. **Determination of rental income.**

A. Income from rental property is considered self-employment earnings when the owner spends an average of 20 or more hours per week on maintenance or management of the property.

~~B. When a family lives on the rental property, the CCAP agency must divide the allowable expenses for upkeep, taxes, insurance, utilities, and interest described in this subpart by the number of units to determine the expense per unit. A CCAP agency must deduct expenses from rental income only for the number of units rented, not for units occupied by family members.~~

~~C. B. When an owner does not spend an average of 20 or more hours per week on maintenance or management of the property, income from rental property is considered unearned income.~~

~~D. C. Rental income is determined according to 256P.05, subdivision 2. The expenses described in this subpart are subtracted from gross rental receipts regardless of whether the rental income is considered earned or unearned income. Allowable expenses are:~~

- ~~(1) real estate tax;~~
- ~~(2) insurance;~~
- ~~(3) utilities;~~
- ~~(4) interest;~~
- ~~(5) upkeep and repairs;~~
- ~~(6) tax return preparation fees;~~
- ~~(7) license fees, franchise fees, professional fees, and professional dues;~~
- ~~(8) advertising;~~
- ~~(9) postage;~~
- ~~(10) attorney fees allowed by the Internal Revenue Code; and~~
- ~~(11) payments on the principal of the purchase price of income-producing real estate.~~

Justification: The Department is removing item B from this subpart because the Internal Revenue Code accounts for allowable expenses in determining rental income and the rule language is no longer needed. Further changes simplify the rule by removing additional detail from item C for allowable expenses for rental income and replacing it with a cross reference to Minn. Stat. § 256P.05, subd. 2.



Children and Family Services, Child Care Assistance Program

Proposed Amendment to Rules Governing the Child Care Assistance Program, *Minnesota Rules*, Parts 3400.0010 through 3400.0235; Revisor's ID 4560

OAH Docket number 82-9029-35572

EXHIBIT M: NOT APPLICABLE – NOTICE THAT THE AGENCY ADOPTED A SUBSTANTIALLY DIFFERENT RULE

A notice that the agency adopted a substantially different rule is not included because the final rules adopted by the agency were not substantially different.



Children and Family Services, Child Care Assistance Program

Proposed Amendment to Rules Governing the Child Care Assistance Program, *Minnesota Rules*, Parts 3400.0010 through 3400.0235; Revisor's ID 4560

OAH Docket number 82-9029-35572

EXHIBIT N: ORDER ADOPTING RULE

Minnesota Department of Human Services

ORDER ADOPTING RULES

Adoption of Rules Governing the Child Care Assistance Program, Minnesota Rules, Parts 3400.0010 through 3400.0235; Revisor's ID Number 4560; OAH docket number 82-9029-35572

BACKGROUND INFORMATION

1. The Department of Human Services has complied with all notice and procedural requirements in Minnesota Statutes, chapter 14, Minnesota Rules, chapter 1400, and other applicable law.

2. The Department received written comments on the rules from three people representing different organizations and three individuals. Four persons requested a public hearing. Therefore, there are not 25 or more requests for a public hearing. The agency did not receive any requests for notice of submission to the Office of Administrative Hearings.

3. Part 3400.0020, subpart 11a of the proposed rules has been amended to read:

Subp. 11a. **Child in an at-risk population.** "Child in an at-risk population" means a child with environmental or familial factors that may create barriers to the child's optimal achievement, such as a federal or state disaster, limited English proficiency in a family, a history of abuse or neglect, a determination that the child is at risk of abuse or neglect, family violence, homelessness, the age of the child's mother, the level of maternal education, mental illness, a developmental disability, parental chemical dependency, or a history of other substance abuse.

The Department received two comments on this definition. Commenters felt that the definition implied personal shortcoming of families participating in the child care assistance program (CCAP) and did not acknowledge the systematic barriers that families of low incomes often face. The definition is necessary to allow higher payments to child care providers who offer specialized services to better meet the needs of children with risk factors (see proposed rules, part 3400.0130, subp. 3b). Adding "may" is a reasonable change to this definition because it addresses the concern that not *all* children who face these situations are automatically deemed at-risk, but rather that children in these situations *may* be at-risk, while still allowing children in potential situations of risk to access specialized services from a child care provider. This change does not change the intent of this subpart, and is a logical outgrowth of the notice of intent to adopt rules and the comments submitted in response. Therefore, it does not make the rules substantially different.

4. Part 3400.0020, subpart 12b of the proposed rules has been amended to read:

Subp. 12b. **Child care assistance program.** "Child care assistance program" means financial assistance for child care costs.

The child care assistance program supports a parentally responsible individual with a low income who is employed, engaged in a job search, or engaged in education. The child care assistance program ensures that children of parentally responsible individuals have access to child care and are prepared to enter school thrive as successful learners.

This change better aligns the definition with the intent of the Minnesota Department of Education’s “Successful Learners Equation.” The approach to shift away from “school readiness” is centered in equity and recognizes that kindergartens start school with a wide range of skills, knowledge, and experiences from a variety of settings, and that all age-eligible students should be welcomed to start school, regardless of specific skills or behaviors (see Minnesota Department of Education’s “Kindergarten Eligibility and Enrollment Brief” dated 6/29/21, available on the MDE website at <https://education.mn.gov/mde/dse/kind/>). This change is necessary and reasonable as it is inclusive of all children receiving child care assistance by supporting a child’s development and well-being, and not solely focusing on school readiness. It does not change the intent of this subpart and is a logical outgrowth of the notice of intent to adopt rules, which states that the rules “focus on providing equal access to stable child care for low-income children.” Therefore, it does not make the rules substantially different.

5. Part 3400.0110, subpart 9, item H, subitem 3 of the proposed rules has been amended to read:

(3) The exemption may begin on the first day of the child's illness, but not more than ~~30~~90 days prior to the date that the CCAP agency receives documentation of the child's illness.

Thirty days is not always adequate time for a family to obtain documentation from a medical professional. During the pandemic, this became even more apparent. This change is necessary and reasonable because delay in documentation could result in a family accruing absent days over the 25 day calendar year limit, incurring a large bill for child care expenses, and a child no longer be allowed to attend care with a provider. Allowing 90 days is also consistent with the time frames for temporarily ineligibility under proposed rules, part 3400.0040, subp. 17. Furthermore, Minnesota Statutes, section 119B.13, subd. 7(b) gives the commissioner authority to set timelines for families and child care providers to submit documentation of medical conditions that cause a child to have more frequent absences from child care. This change does not change the intent of this subpart, it is beneficial to the regulated parties, and it is a logical outgrowth of the notice of intent to adopt rules, which states that the “amendments address . . . reporting responsibilities for participants.” Therefore, it does not make the rules substantially different.

6. Amendments to part 3400.0170 of the proposed rules governing the treatment of self-employment income for CCAP eligibility have been made in large part to conform to changes made to Minnesota Statutes, chapter 256P regarding self-employment policies which went into effect on May 1, 2022. The statutory changes aligned many self-employment policies for cash assistance programs, the Supplemental Nutrition Assistance Program (SNAP), and CCAP. Under previous policy, self-employment income was calculated based on a family’s gross receipts less allowable operating expenses, and self-employment losses offset any other types of earned or

unearned income. Under the May 1, 2022 changes, according to Minnesota Statutes, section 256P.05, subd. 2, applicants and participants must now choose one of two income determination methods for determining self-employment income: 1) fifty percent of gross income from self-employment or 2) taxable self-employment income as determined from the Internal Revenue Service (IRS) tax form filed for the most recent year and following SNAP guidance. The following findings detail the changes to part 3400.0170, which are necessary and reasonable to align with statute, replace or remove outdated policy, and reflect the appropriate methods to determine a family's self-employment income. The changes are a logical outgrowth of the notice of intent to adopt rules, which states that the rules "address determination of income for eligibility." The changes are also reflected in statute, and are either beneficial to the regulated parties or result in little to no impact on the parties. Therefore, the rules are not substantially different.

7. Part 3400.0170, subpart 4 of the proposed rules has been amended to read:

Subp. 4. Determination of gross annual income. The income standard for determining eligibility for child care assistance is a family's gross annual income. A family's gross annual income is the sum of each family member's income sources under Minnesota Statutes, sections 119B.011, subdivision 15, and 256P.01, subdivisions 3 and 8, including earned income, self-employment income, unearned income, and lump sum payments. A CCAP agency must include offset negative self-employment income from one business against self-employment income from a different business in the determination of a family's gross annual income, resulting in a reduction in total gross annual income from self-employment. Lump sum payments that a family receives prior to participating in the child care assistance program are not included in the family's total gross annual income. If a participant's eligibility ends after receiving a lump sum and the participant reapplies for child care assistance, a CCAP agency must count the lump sum for 12 months from the date of the lump sum receipt. A CCAP agency must calculate earned income, self-employment income, unearned income, and lump sum payments separately.

Minn. Stat. § 256P.05, subd. 2 does not address business losses. Therefore, it is necessary to address business losses in rule. When the taxable income method under Minnesota Statutes, section 256P.05, subd. 2 is used to determine self-employment income, self-employment income may result in a loss. This change clarifies that if income from a self-employment business results in a loss after the calculation is completed and the family has more than one self-employment business, a CCAP agency must offset the negative income from one self-employment business from the self-employment income from other business(es). This change is reasonable because it uses negative self-employment income to offset income from other self-employment within the greater income calculation. This change is also necessary to reflect current CCAP policy and align with cash assistance and SNAP self-employment policy. This change does not change the intent of this subpart, it is a logical outgrowth of the notice of intent to adopt rules, and it results in little to no impact on the regulated parties. Therefore, the rules are not substantially different.

8. Part 3400.0170, subpart 7, and subpart 7, item A of the proposed rules have been amended to read:

Subp. 7. Earned income from self-employment. In determining a family's gross annual income for purposes of eligibility under this part, a CCAP agency must determine earned income from self-employment according to Minnesota Statutes, section 256P.05, subdivision 2. If a family provides verification for and meets income and authorized activity eligibility requirements under both income determination methods but does not choose a method, the CCAP agency must use the method that results in the lowest copayment to the family.

~~A. Earned income from self-employment is the difference between gross receipts and self-employment expenses that must not include expenses under subpart 8.~~

~~(1) A family must provide verification of self-employment income for either income determination method and provide expenses for the taxable income method document gross receipts and self-employment expenses with business records, such as charts of accounts, books, ledgers, and tax schedules.~~

Changes to this subpart incorporate changes in statute by adding a cross reference to Minnesota Statutes, section 256P.05, subd. 2, which allows for the use of one of two income determination methods. This necessary and reasonable because it follows statute, provides guidance and clarity for CCAP agencies, and results in the lowest copayment to the family, reducing a family's out of pocket cost for child care expenses. Further changes address what a family must provide to a CCAP agency to allow the CCAP agency to determine the family's self-employment income under each income determination method. These changes do not change the intent of this subpart and are a logical outgrowth of the notice of intent to adopt rules. Therefore, the rules are not substantially different.

9. Part 3400.0170, subpart 7, items A and B of the proposed rules have been amended to read:

~~(2) B. At the time of application, or redetermination, or during the 12-month eligibility period, a CCAP agency must allow a family in the start-up phase of self-employment to submit a self-attestation verifying income if financial documentation is unavailable or insufficient to accurately predict self-employment income. A family is subject to recoupment or recovery of an overpayment under part 3400.0187 and Minnesota Statutes, section 119B.11, subdivision 2a, if the commissioner or CCAP agency determines that the family's estimated income does not reflect the family's actual income.~~

This change removes language that only allows for self-attestation during the start-up phase of self-employment. When language was previously drafted, the Department did not intend to limit when a self-attestation can be accepted. Self-attestation during the start-up phase of self-employment is one example of when a family may not have appropriate financial documentation, but there may be other instances when a family would need to submit a self-attestation.

This change also removes language addressing overpayments for families if the family's estimated income as verified using a self-attestation does not reflect their actual income. Minnesota Statutes, section 119B.11, subd. 2a governs the recovery or recoupment of an overpayment from a family. Having this detail in rule provides no additional context and is unnecessary.

This change does not change the intent of this subpart, it reflects statutory changes, it is a logical outgrowth of the notice of intent to adopt rules, and it is beneficial to families. Therefore, the rules are not substantially different.

10. Part 3400.0170, subpart 7, items C through E of the proposed rules has been amended to read:

C. A family may change the method of self-employment income determination when the current income calculation does not provide the most accurate assessment of annual ongoing income available to the family. The family must meet verification requirements of the chosen method.

~~B.~~ D. Self-employment business records must be kept separate from the family's personal records.

~~C.~~ E. If the person's business is a partnership or a corporation and that person is drawing a salary, the salary must be treated as earned income.

Minnesota Statutes, section 256P.05, subd. 3 states that applicants and participants who elect to use the taxable income methods must continue to use that method until recertification. However, Minnesota Statutes, section 256P.05, subd. 1 states that participants who qualify for child care assistance under chapter 119B are exempt from subdivision 3, therefore placing no limits on how often a family's self-employment income determination method can be changed. Given this statutory exemption, this change in rule is necessary and reasonable to clarify for CCAP agencies that a family's income may be determined more frequently than at redetermination. This change also allows families to receive the maximum CCAP benefit they are eligible for. This change does not change the intent of this subpart, it is a logical outgrowth of the notice of intent to adopt rules, and it is beneficial to families. Therefore, the rules are not substantially different.

11. Part 3400.0170, subparts 8 and 9 of the proposed rules have been amended to read:

~~Subp. 8. Self-employment deductions which are not allowed. In determining eligibility under this part, self-employment expenses must be subtracted from gross receipts. However, the expenses listed in items A to L must not be subtracted from gross receipts:~~

{For text of items A to F, see Minnesota Rules}

~~G. the cost of transportation between the individual's home and his or her the individual's place of employment;~~

{For text of item H, see Minnesota Rules}

~~I. expenses not allowed by the United States Internal Revenue Code for self-employment income, unless specifically authorized in this chapter;~~

~~J. federal, state, and local income taxes;~~

~~K. employer's own share of FICA; and~~

~~L. money set aside for the self-employed person's own retirement.~~

~~Subp. 9. **Self-employment budget period.** A family must budget gross receipts from self-employment must be budgeted in the month in which they are received the family received gross receipts. Expenses must be budgeted against gross receipts in the month that the family paid the expenses are paid except for items A to C.~~

~~A. The purchase cost of inventory items, including materials that are processed or manufactured, must be deducted as an expense at the time that a family receives payment is received for the sale of those inventory items, processed materials, or manufactured items, regardless of when those costs are incurred or paid.~~

~~B. Expenses and other costs that are commonly paid at least annually, but less often than monthly, must be prorated forward as deductions from gross receipts over the period they are intended to cover, beginning with the month in which the payment for these items is made.~~

~~C. Gross receipts from self-employment must be prorated forward to equal the period of time during which the expenses were incurred. However, gross receipts must not be prorated over a period that exceeds 12 months. This provision applies only when gross receipts are not received monthly but expenses are incurred on an ongoing monthly basis.~~

These subparts as originally proposed no longer align with Minnesota Statutes, section 256P.05, subd. 2. This change, which deletes these subparts in their entirety, does not change the intent of this rule part, it is a logical outgrowth of the notice of intent to adopt rules, it simplifies

the rule, and it is necessary to comply with statute. Therefore, the rules are not substantially different.

12. Part 3400.0170, subpart 10 of the proposed rules has been amended to read:

Subp. 10. **Determination of farm income.** Farm income must be determined for a one-year period. Farm income is determined according to Minnesota Statutes, section 256P.05, subdivision 2~~gross receipts minus operating expenses, except for expenses listed in subpart 8.~~ Gross receipts income includes items such as sales, rents, subsidies, farm-related insurance payments, soil conservation payments, production derived from livestock, and income from the sale of home-produced foods.

This change adds a cross reference to Minnesota Statutes, section 256P.05, subd. 2, which allows for the use of one of two income determination methods. The proposed change is necessary and reasonable as it reflects current policy. This change does not change the intent of this subpart, it is a logical outgrowth of the notice of intent to adopt rules, and it reflects applicable statutory changes. Therefore, the rules are not substantially different.

13. Part 3400.0170, subpart 11 of the proposed rules has been amended to read:

Subp. 11. **Determination of rental income.**

A. Income from rental property is considered self-employment earnings when the owner spends an average of 20 or more hours per week on maintenance or management of the property.

~~B. When a family lives on the rental property, the CCAP agency must divide the allowable expenses for upkeep, taxes, insurance, utilities, and interest described in this subpart by the number of units to determine the expense per unit. A CCAP agency must deduct expenses from rental income only for the number of units rented, not for units occupied by family members.~~

~~C.~~ B. When an owner does not spend an average of 20 or more hours per week on maintenance or management of the property, income from rental property is considered unearned income.

~~D.~~ C. Rental income is determined according to 256P.05, subdivision 2.~~The expenses described in this subpart are subtracted from gross rental receipts regardless of whether the rental income is considered earned or unearned income.~~ Allowable expenses are:

~~(1) real estate tax;~~

- ~~(2) insurance;~~
- ~~(3) utilities;~~
- ~~(4) interest;~~
- ~~(5) upkeep and repairs;~~
- ~~(6) tax return preparation fees;~~
- ~~(7) license fees, franchise fees, professional fees, and professional dues;~~
- ~~(8) advertising;~~
- ~~(9) postage;~~
- ~~(10) attorney fees allowed by the Internal Revenue Code; and~~
- ~~(11) payments on the principal of the purchase price of income producing real estate.~~

The changes to this subpart remove item B, because the Internal Revenue Code accounts for allowable expenses in determining rental income and the rule language is duplicative and unnecessary. Additional changes simplify the rule by removing detail from item C and replacing it with a cross reference to Minnesota Statutes, section 256P.05, subd. 2. This change does not change the intent of this subpart, it is a logical outgrowth of the notice of intent to adopt rules, and it incorporates applicable statutory changes. Therefore, the rules are not substantially different.

14. The rules are needed and reasonable.

ORDER

The above-named rules, in the form published in the State Register on June 13, 2022, with the modifications as indicated in the Revisor’s draft, file number AR4560, dated 08/24/22, are adopted under my authority in Minnesota Statutes, sections 119B.02, subdivisions 1 and 3; 119B.04, subdivision 2; and 119B.06, subdivision 2.

Date

Amy Akbay, Chief General Counsel
Department of Human Services



Children and Family Services, Child Care Assistance Program

Proposed Amendment to Rules Governing the Child Care Assistance Program, *Minnesota Rules*, Parts 3400.0010 through 3400.0235; Revisor's ID 4560

OAH Docket number 82-9029-35572

EXHIBIT O: NOT APPLICABLE – CERTIFICATE OF NOTICE OF SUBMISSION OF RULE TO THE OFFICE OF ADMINISTRATIVE HEARINGS

A certificate of notice of submission of the rule to the Office of Administrative Hearings is not included because the agency did not receive any requests for notification of submission.



Children and Family Services, Child Care Assistance Program

Proposed Amendment to Rules Governing the Child Care Assistance Program, *Minnesota Rules*, Parts 3400.0010 through 3400.0235; Revisor's ID 4560

OAH Docket number 82-9029-35572

EXHIBIT P-1: CERTIFICATE OF SENDING THE DUAL NOTICE AND SONAR TO CERTAIN STATE LEGISLATORS

Minnesota Department of Human Services

**CERTIFICATE OF SENDING THE DUAL NOTICE OF INTENT TO ADOPT RULES
AND SONAR TO LEGISLATORS AND THE LEGISLATIVE COORDINATING
COMMISSION**

**Proposed Rules Governing the Child Care Assistance Program, Minnesota Rules, Parts
3400.0010 – 3400.0235; Revisor's ID 4560**

I certify that on June 5, 2022 when the Department delivered the Notice of Intent to Adopt Rules under Minnesota Statutes, section 14.22, I sent the (1) Dual Notice of Intent to Adopt Rules, (2) the statement of need and reasonableness, and (3) the proposed rules to certain Legislators and the Legislative Coordinating Commission by sending electronic copies via email. I mailed these documents to comply with Minnesota Statutes, section 14.116. A copy of the email is attached to this Certificate.



Vanessa Vogl
Rulemaking Attorney
General Counsel's Office

From: [Vogl, Vanessa M \(DHS\)](#)
To: sen.paul.utke@senate.mn; [Melissa Wiklund](#); sen.jim.abeler@senate.mn; sen.john.hoffman@senate.mn; rep.jennifer.schultz@house.mn; rep.tony.albright@house.mn; lcc@lcc.mn.gov
Cc: [Vogl, Vanessa M \(DHS\)](#); [Burdick, Matthew F \(DHS\)](#); [Lentini, Andrea \(DHS\)](#)
Subject: Notice of MN Department of Human Services Proposed Rules Amendments Governing the Child Care Assistance Program
Date: Sunday, June 5, 2022 9:50:00 PM
Attachments: [image003.png](#)
[image004.png](#)
[image005.png](#)
[CCAP_Dual_Notice_signed.pdf](#)
[CCAP_SONAR_signed.pdf](#)
[RD4560_final_draft.pdf](#)

To: Senator Paul J. Utke, Chair, Senate Health and Human Services Finance and Policy Committee
 Senator Melissa H. Wiklund, Ranking Minority Member, Senate Health and Human Services Finance and Policy Committee
 Senator Jim Abeler, Chair, Senate Human Services Reform Finance and Policy Committee
 Senator John A. Hoffman, Ranking Minority Member, Senate Human Services Reform Finance and Policy Committee
 Representative Jennifer Schultz, Chair, House Human Services Finance and Policy Committee
 Representative Tony Albright, Republican Lead, House Human Services Finance and Policy Committee
 Legislative Coordinating Commission

Re: Notice of Proposed Amendment to Rules of the Minnesota Department of Human Services Governing the Child Care Assistance Program, *Minnesota Rules*, Parts 3400.0010 – 3400.0235; Revisor’s ID Number 4560

Dear Legislators,

The Minnesota Department of Human Services (Department) intends to adopt amendments to rules [governing the child care assistance program, at Minnesota Rules, parts 3400.0010 – 3400.0235](#), without a public hearing, following the procedures in the Administrative Procedure Act and applicable rules. If, however, 25 or more people submit a written request for a hearing on the rules by 4:30 p.m. on July 20, 2022, the Department will hold a virtual public hearing on the proposed rule changes, conducted by an Administrative Law Judge.

During the 2017 legislative session, many changes were made to the Child Care Assistant Program (CCAP). Most of the changes were required under the Child Care and Development Block Grant Act of 2014. The Department is amending the rules to align with these federal and state statutory changes, adding clarity and consistency. The proposed amendments focus on providing equal access to stable child care for low-income children and strengthening requirements to protect the health and safety of children in child care and receiving CCAP funding. The amendments address determination of income for eligibility, frequency of redetermination, determination of copayments, maintaining consistent child care authorizations for children, reporting responsibilities for participants, provider requirements, and payment policies.

The Department will publish a Dual Notice of Intent to Adopt Rules in the June 13, 2022, State Register. If you would like to comment or request a hearing, please follow the procedure described in the Notice. You have until 4:30 p.m. on July 20, 2020, to comment or request a hearing. A copy of the Dual Notice, the proposed rules, and the Statement of Need and Reasonableness (SONAR) are

attached to this email.

Information about this and other rulemaking projects can also be found on [the Department's website](#).

If you would prefer to receive notices via U.S. mail instead of or in addition to email, please notify me in writing by email at vanessa.vogl@state.mn.us (preferred) or U.S. mail at Minnesota Department of Human Services, PO Box 64254, Saint Paul, MN 55164-0254.

Very truly yours,
~Vanessa

Vanessa Vogl

Pronouns: she/her/hers

Rulemaking Attorney | Administrative Law Office

Minnesota Department of Human Services

P.O. Box 64254

St. Paul, MN, 55164-0254

O: 651-431-3168

F: 651-431-7714

mn.gov/dhs





Children and Family Services, Child Care Assistance Program

Proposed Amendment to Rules Governing the Child Care Assistance Program, *Minnesota Rules*, Parts 3400.0010 through 3400.0235; Revisor's ID 4560

OAH Docket number 82-9029-35572

EXHIBIT P-2: CERTIFICATE OF CONSULTATION WITH MINNESOTA MANAGEMENT AND BUDGET

Minnesota Department of Human Services

CERTIFICATE OF CONSULTING WITH THE COMMISSIONER OF MANAGEMENT AND BUDGET IN COMPLIANCE WITH MINNESOTA STATUTES, SECTION 14.131

Proposed Rules Governing the Child Care Assistance Program, Minnesota Rules, Parts 3400.0010 – 3400.0235; Revisor’s ID 4560

I certify that on April 1, 2022, I consulted with the Commissioner of Minnesota Management and Budget (MMB) in compliance with Minnesota Statutes, section 14.131, by sending an email to the Executive Budget Officers at MMB who are assigned to the Department, along with the following enclosures:

1. The Governor’s Office Proposed Rule and SONAR Form.
2. The February 25, 2022 Revisor’s draft of the proposed rule.
3. The April 2022 draft of the SONAR.

A copy of the email I sent and MMB’s response are attached to this Certificate.



Vanessa Vogl
Rulemaking Attorney
General Counsel’s Office

From: [Vogl, Vanessa M \(DHS\)](#)
To: [Riesen, Joshua \(MMB\)](#)
Subject: RE: DHS Rulemaking - SONAR and draft rules
Date: Wednesday, July 13, 2022 3:41:00 PM
Attachments: [image002.png](#)
[image003.png](#)
[image004.png](#)

Wonderful- thank you!

From: Riesen, Joshua (MMB) <Joshua.Riesen@state.mn.us>
Sent: Tuesday, July 12, 2022 10:29 PM
To: Vogl, Vanessa M (DHS) <vanessa.vogl@state.mn.us>
Subject: RE: DHS Rulemaking - SONAR and draft rules

Attached is the MMB review. Sorry, found caught in my inbox from last week! Thanks!

From: Vogl, Vanessa M (DHS) <vanessa.vogl@state.mn.us>
Sent: Friday, April 1, 2022 11:16 AM
To: Riesen, Joshua (MMB) <Joshua.Riesen@state.mn.us>; Butler, Peter (MMB) <Peter.Butler@state.mn.us>
Cc: Lentini, Andrea (DHS) <andrea.lentini@state.mn.us>
Subject: DHS Rulemaking - SONAR and draft rules

Dear Josh and Peter,

I am the Rulemaking Attorney at the Department of Human Services. We have been working on a rulemaking project in our Children and Family Services Administration: updating Minnesota Rules, parts 3400.0010 – 3400.0235, that govern the Child Care Assistance Program. Minnesota Statutes, section 14.131, requires that an agency engaged in rulemaking consult with the Commissioner of Minnesota Management and Budget, “to help evaluate the fiscal impact and fiscal benefits of the proposed rule on units of local government.” DHS’s analysis of the fiscal impact on units of local government is contained in the Regulatory Analysis section of the SONAR which begins on page 68, and in the Costs of Complying for Small Business or City section of the SONAR on pages 78-79.

Attached for your review are the following documents:

- Governor’s Office Proposed Rule and SONAR (Statement of Need and Reasonableness) form
- SONAR
- Draft of proposed rules

I have also emailed these documents to the Governor’s Office today for their review.

I am copying Andrea Lentini on this email. Andrea is the CCAP policy expert and contact at DHS for the subject matter of these rules. Upon review of the documents, if you or any other representative of the Commissioner of Minnesota Management & Budget has questions about the proposed rule, please let Andrea and me know.

Thank you,
Vanessa

Vanessa Vogl

Pronouns: she/her/hers

Rulemaking Attorney | Administrative Law Office

Minnesota Department of Human Services

P.O. Box 64254

St. Paul, MN, 55164-0254

O: 651-431-3168

F: 651-431-7714

mn.gov/dhs



Caution: This e-mail and attached documents, if any, may contain information that is protected by state or federal law. E-mail containing private or protected information should not be sent over a public (nonsecure) Internet unless it is encrypted pursuant to DHS standards. This e-mail should be forwarded only on a strictly need-to-know basis. If you are not the intended recipient, please: (1) notify the sender immediately, (2) do not forward the message, (3) do not print the message and (4) erase the message from your system.



Office Memorandum

Date: 6/24/2022

To: Vanessa Vogl
Rulemaking Attorney, Administrative Law Office
Minnesota Department of Human Services

From: Josh Riesen
Executive Budget Officer
Minnesota Management & Budget

Subject: M.S. 14.131 Review of Proposed Amendment to Rules Relating to Child Care Assistance Program, Minnesota Rules, Chapter 3400; Revisor's ID Number R-4560

Background

The Minnesota Department of Human Services (DHS) proposes to amend Minnesota Rules, Chapter 3400, relating to Child Care Assistance Program. These amendments to the rules are designed to create uniformity between federal regulations, state statutes, and the rules governing the Child Care Assistance Program (CCAP).

Pursuant to Minnesota Statutes 14.131, The Department of Human Services has requested Minnesota Management and Budget evaluate the proposed amendments for fiscal impact and benefits on units of local government.

Evaluation

On behalf of the Commissioner of Minnesota Management and Budget, I have reviewed the proposed changes and the draft of the SONAR to explore the potential fiscal impact these changes may have on local governments.

These rule amendments impact the responsibilities of the Department of Human Services, lead agencies that administer CCAP, and providers. These rules attempt to codify best practices and provide greater clarity regarding CCAP administration. MMB does not have expertise in how lead agencies administer their programs. However, in instances where local practice does not align with the new unified practices it may impact lead agencies. After consulting with state agency staff, these amendments reflect work with interested stakeholders to align with identified concerns. This consultation did not identify clear instances where lead agency process needed to change. Consequently, at this time we cannot identify a cost to local units of government.

Sincerely,



Josh Riesen
Executive Budget Officer

cc: Angela Vogt, Executive Budget Coordinator, Minnesota Management and Budget

May 2, 2022

VIA EMAIL ONLY

Vanessa Vogl
Minnesota Department of Human Services
PO Box 64254
Saint Paul, MN 55164
vanessa.vogl@state.mn.us

**Re: Possible Amendments to Rules Governing the Child Care Assistance Program, Minnesota Rules, Parts 3400.0010 - 3400.0235
OAH 82-9029-35572; Revisor R-4560**

Dear Ms. Vogl:

Enclosed herewith and served upon you please find the **ORDER ON REVIEW OF ADDITIONAL NOTICE PLAN AND DUAL NOTICE** in the above-entitled matter.

Prior to publishing the Additional Notice Plan and Dual Notice in the State Register, please notify the Office of Administrative Hearings (OAH) at denise.collins@state.mn.us in order to activate the agency's eComments page on OAH's website. **Please note that if you do not notify us of the publication, the eComments site will not be available to receive public comments.**

If you have any questions regarding this matter, please contact Michelle Severson at (651) 361-7874, michelle.severson@state.mn.us or via facsimile at (651) 539-0310.

Sincerely,



MICHELLE SEVERSON
Legal Assistant

Enclosure

STATE OF MINNESOTA
OFFICE OF ADMINISTRATIVE HEARINGS
ADMINISTRATIVE LAW SECTION
PO BOX 64620
600 NORTH ROBERT STREET
ST. PAUL, MINNESOTA 55164

CERTIFICATE OF SERVICE

Possible Amendments to Rules Governing the Child Care Assistance Program, Minnesota Rules, Parts 3400.0010 - 3400.0235	OAH Docket No. 82-9029-35572 R-4560
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Nichole Helmueller certifies that on May 2, 2022, she served a true and correct copy of the attached **ORDER ON REVIEW OF ADDITIONAL NOTICE PLAN AND DUAL NOTICE**; by courier service, by placing it in the United States mail with postage prepaid, or by electronic mail, as indicated below, addressed to the following individuals:

<u>VIA EMAIL ONLY</u> Vanessa Vogl Minnesota Department of Human Services PO Box 64254 Saint Paul, MN 55164 vanessa.vogl@state.mn.us	
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STATE OF MINNESOTA
OFFICE OF ADMINISTRATIVE HEARINGS

In The Matter of the Proposed Rules of the
Department of Human Services Governing
the Child Care Assistance Program,
Minnesota Rules, Parts 3400.0010 –
3400.0235

**ORDER ON REVIEW
OF ADDITIONAL NOTICE
PLAN AND DUAL NOTICE**

This matter came before Administrative Law Judge Barbara J. Case upon the Minnesota Department of Human Services's request for a legal review under Minn. R. 1400.2060, .2080 (2021), of the Additional Notice Plan and Dual Notice of Intent to Adopt Rules in the above-captioned proceeding.

Under its Additional Notice Plan, the Department plans to notify by email or U.S. Mail: people registered to receive the Department's notices of rulemaking, childcare providers, staff involved with childcare assistance programs, childcare provider organizations, governmental and nonprofit agencies, the rule's advisory committee members and other stakeholders.

Based upon a review of the written submissions by the Department,

IT IS HEREBY ORDERED THAT:

1. The Additional Notice Plan is **APPROVED**.
2. The Dual Notice is **APPROVED**.

Dated: May 2, 2022



Barbara J. Case
Administrative Law Judge



April 25, 2022

The Honorable Barbara Case
Administrative Law Judge
Office of Administrative Hearings
600 North Robert Street
P.O. Box 64620
Saint Paul, Minnesota 55164-0620

Re: In The Matter of the Proposed Rules of the Department of Human Services Governing the Child Care Assistance Program, *Minnesota Rules*, Parts 3400.0010 – 3400.0235; Revisor’s ID Number 4560; Request for Review and Approval of Additional Notice Plan

Dear Administrative Law Judge Case:

The Department of Human Services requests that you review and approve our Additional Notice Plan for giving Notice of Intent to Adopt Rules Without a Public Hearing Unless 25 or More Persons Request a Hearing, and Notice of Hearing if 25 or More Requests for Hearing Are Received, under Minnesota Statutes, section 14.22. The Additional Notice Plan is regarding the Department's proposed rules relating to the Child Care Assistant Program (CCAP). The Department is amending the rules to align with recent federal and state statutory changes, adding clarity and consistency. The proposed amendments focus on providing equal access to stable child care for low-income children and strengthening requirements to protect the health and safety of children in child care and receiving CCAP funding. The amendments address determination of income for eligibility, frequency of redetermination, determination of copayments, maintaining consistent child care authorizations for children, reporting responsibilities for participants, provider requirements, and payment policies. The amendments primarily impact families receiving child care assistance and child care providers, as well as the county agencies, tribal agencies, and workers that administer CCAP.

Enclosed with this letter are the documents for the Office of Administrative Hearings’ review, as required by Minnesota Rules, part 1400.2060, subpart 2, item B:

- (1) The proposed rules.
- (2) A draft of the Statement of Need and Reasonableness (SONAR) under part 1400.2070, containing our proposed Additional Notice Plan. Our Additional Notice Plan is described on pages 73-77. Pages 6-8 describe the public participation and stakeholder involvement in the development of the rules and SONAR. The proposed Additional Notice Plan is also reproduced in the body of this letter for your convenience.
- (3) The proposed Notice of Intent to Adopt Rules Without a Public Hearing Unless 25 or More Persons Request a Hearing, and Notice of Hearing if 25 or More Requests for Hearing Are Received, under part 1400.2080.

Our proposed Additional Notice Plan consists of:

- Sending notice to people registered with the Department to receive notices of rulemaking;
- Notifying electronically via the Department of Human Services Child Care Assistance Program provider listserv that includes licensed child care centers, licensed family child care providers and licensed exempt centers across the state;
- Notifying via email all administrative and client access contacts (lead staff that have contact with families receiving CCAP) across the 80 county, tribal, and subcontracted agencies who administer CCAP;
- Notifying via U.S. Mail all legal nonlicensed child care providers registered to receive child care assistance;
- Notifying via email identified stakeholders consisting of state agencies, child care provider professional associations, non-profits, and those who expressed interest in the rule revision process;
- Notifying via email the CCAP Rule Revision Advisory Committee members;
- Notifying via email stakeholders who are connected with families and providers, and ask them to help give the information to families;
- Posting draft versions of rule and all advisory committee meeting materials on the [Department's rule revision webpage](#); and
- Posting notice and other supporting documents on the [Department's rulemaking docket webpage](#).

Minnesota Rules, part 1400.2060, subpart 2, item B, also requires an explanation of why we believe our Additional Notice Plan complies with Minnesota Statutes, section 14.22, i.e., why our Additional Notice Plan constitutes reasonable efforts to notify persons or classes of persons who might be significantly affected by the rules. We believe our Additional Notice Plan complies with the statute because our notification efforts are tailored to those who will be significantly affected by the rules: families receiving child care assistance and child care providers, as well as the county agencies, tribal agencies, and workers that administer CCAP. We will reach the identified people and organizations by communicating the rule changes to them via the communication channels that the Department uses regularly to communicate with these groups. The Department has also already successfully connected and engaged with the people and groups significantly affected by the rule using these same efforts earlier in rulemaking process, while developing the rules and SONAR.

Child care providers registered to receive CCAP

The Department maintains an electronic listserv of child care providers registered to receive child care assistance. The purpose of the listserv is to keep child care providers informed about issues and policies changes related to CCAP. Child care providers supply their email address when they register or renew their registration to receive CCAP payments, and are subsequently added to the listserv. Additionally, other parties interested in CCAP policies that impact child care providers are able to sign up for the listserv, such as county and tribal staff or child care



provider professional organizations. The listserv debuted in January 2019 and currently has 7,790 subscribers.¹

Legal nonlicensed child care providers

The Department maintains U.S. Mail contact information for legal nonlicensed child care providers registered with the Department to receive child care assistance. Some legal nonlicensed child care providers may be signed up for the child care provider listserv; however, legal nonlicensed child care providers are often grandparents, neighbors, or others who are not connected electronically. Therefore, the Department typically reaches out to this group via U.S. Mail. The Department has already used this channel of communication to reach legal nonlicensed child care providers in its earlier efforts to connect with them through the course of the rulemaking process. The Department has contact information for all 161² legal nonlicensed child care providers who are registered to receive child care assistance.

State agencies, child care provider professional associations, non-profits, and those who expressed interest in the rule revision process

The Department will contact the following organizations and agencies electronically:

- Center for Inclusive Child Care
- Child Care Aware of Minnesota
- Children's Defense Fund
- Elders for Infants
- DHS Child Care Licensing
- DHS Child Development Services (CDS)
- DHS Cultural and Ethnic Communities Leadership Council (CECLC)
- DHS Early Childhood Mental Health
- DHS Early Childhood Systems Reform
- DHS Economic Assistance and Employment Supports Division (EAESD)
- DHS Instructional Design Training Team (IDTT)
- DHS MEC² Help Desk
- DHS Office of Inspector General (OIG)
- First Children's Finance
- Isaiah: Kids Count on Us

¹ Prior to the existence of the child care provider listserv, the Department utilized an electronic listserv of all child care centers, family child care providers, and exempt centers that are licensed or certified by the Department. This listserv, which reached 10,556 individuals, was used in earlier efforts to connect with providers to inform them of rulemaking efforts. The intent of this listserv is to reach all licensed and certified providers; however, the Department has received feedback from providers requesting this listserv only be used in matters specifically related to licensing and certification. Therefore, the Department will be using the listserv of child care providers to inform them of rulemaking efforts.

² This number is current as of January 26, 2022.

- Minnesota Association for Child Care Professionals (MACCP)
- Minnesota Association of County Social Service Administrators (MACSSA)
- Minnesota Association for the Education of Young Children (MNAEYC)/Minnesota School-Age Care Alliance (MNSACA)
- Minnesota Child Care Association (MCCA)
- Minnesota Child Care Provider Information Network (MCPINN)
- Minnesota's Children's Cabinet
- Minnesota Department of Education (MDE) Early Learning Services
- Minnesota Department of Health (MDH) Community and Family Health Division
- Minnesota Head Start Association (MHSA)
- Minnesota Interagency Council on Homelessness
- Minnesota Tribal Resources for Early Childhood Care (MNTRECC)
- Northside Achievement Zone (NAZ)
- Prevent Child Abuse Minnesota (PCAM)
- State Advisory Council on Early Childhood Education and Care
- Think Small
- University of Minnesota's Center for Early Education and Development (CEED)
- Voices and Choices
- Way to Grow

Stakeholders who are connected with families and providers

The Department will contact the following stakeholders electronically and ask them to help give the notice and rulemaking information to families:

- Children's Defense Fund
- Isaiah: Kids Count on Us
- Minnesota Child Care Association (MCCA)
- Minnesota Head Start Association (MHSA)
- Voices and Choices

CCAP Rule Revision Advisory Committee

In conjunction with the publication of the Notice of Request for Comments, the Department emailed an invitation on September 24, 2018 to identified contacts at over 30 community and state agencies requesting participation in the CCAP Rule Revision Advisory Committee. The Department also emailed an invitation to participate on September 26, 2018 to all licensed child care centers, licensed family child care providers and licensed exempt centers statewide, for a total of 10,556 individuals. Additionally, the Department sent a mailing via U.S. Mail on September 26, 2018 to all 474³ legal nonlicensed child care providers who were registered to receive child care assistance at that time. Due to the large response and initial interest in serving

³ This was the number of legal nonlicensed child care providers who were registered on September 26, 2018.



on the CCAP Rule Revision Advisory Committee, all interested persons were invited to attend the rule revision kick-off meeting held on October 30, 2018. This meeting, held in person at the Minnesota Department of Human Services in St. Paul and with a virtual option, provided participants with:

- An overview of the rule revision process;
- Details on the child care assistance rule amendment topics; and
- Options on how to give input on the rule.

Following the October 30, 2018 meeting, stakeholders were asked to indicate their interest in serving as a member of the CCAP Rule Revision Advisory Committee. A total of 60 stakeholders, representing a variety of sectors from different geographic areas of the state, expressed interest in continuing to serve as a committee member. Committee members represented the following entities:

- 32 child care providers (26 licensed centers, 5 certified license exempt centers, and 1 licensed family);
- 6 community agencies;
- 10 CCAP agencies;
- 11 state agencies; and
- 1 parent.

The Department has been communicating with the Rule Revision Advisory Committee via email throughout the course of this rulemaking project. Accordingly, the Department will email notice to the Committee members, as well as post to the Department's webpage specifically dedicated to the CCAP rule revision and the Department's general Rulemaking Docket webpage.

With the above information the Department believes that it has demonstrated compliance with Minnesota Statutes, section 14.22, and Minnesota Rules, part 1400.2060, subpart 2, item B. Thank you for your review. Please email me at Vanessa.Vogl@state.mn.us (preferred) or call me at (651) 431-3168 if you have any questions.

Yours very truly,

A handwritten signature in black ink that reads 'Vanessa Vogl'.

Vanessa Vogl
Rulemaking Attorney

Minnesota Department of Human Services

Children and Family Services Administration, Child Care Services

DUAL NOTICE: Notice of Intent to Adopt Rules Without a Public Hearing Unless 25 or More Persons Request a Hearing, and Notice of Hearing if 25 or More Requests for Hearing Are Received; Revisor's ID Number 4560

Proposed Amendment to Rules Governing the Child Care Assistance Program, *Minnesota Rules*, Parts 3400.0010 through 3400.0235

Introduction. The Department of Human Services intends to adopt rules without a public hearing following the procedures in the rules of the Office of Administrative Hearings, *Minnesota Rules*, parts 1400.2300 to 1400.2310, and the Administrative Procedure Act, *Minnesota Statutes*, sections 14.22 to 14.28. If, however, 25 or more persons submit a written request for a hearing on the rules by 4:30 p.m. on Wednesday, July 20, 2022, the Department will hold a virtual public hearing on the proposed rule changes. **An Administrative Law Judge will conduct the hearing** starting at 9:30 a.m. on Wednesday, August 3, 2022, and continuing until the hearing is completed. To find out whether the Department will adopt the rules without a hearing or if it will hold the hearing, you should contact the agency contact person after July 20, 2022 and before August 3, 2022.

For video and audio connection to the virtual hearing, join through an internet connection, such as with a computer or tablet:

Enter <https://minnesota.webex.com>
Event number (access code): 2490 165 8505
Event password: 9xBdDyTjN38

For audio connection only, join the hearing by phone:

Call: 1-415-655-0003 (US Toll)
Access code: 2490 165 8505

Agency Contact Person. Submit any comments or questions on the rules or written requests for a public hearing to the agency contact person. The agency contact person is:

Vanessa Vogl
Minnesota Department of Human Services
Administrative Law Office
PO Box 64254
Saint Paul, MN 55164-0254
Email: Vanessa.Vogl@state.mn.us
Phone: 651-431-3168

TTY users may call the Department at (800) 627-3529. You may also review the proposed rule and submit written comments via the [Office of Administrative Hearings Rulemaking eComments website https://minnesotaoah.granicusideas.com/discussions](https://minnesotaoah.granicusideas.com/discussions).]

Subject of Rules and Statutory Authority. The proposed rules are about the Child Care Assistant Program (CCAP). During the 2017 legislative session, many changes were made to CCAP. Most of the changes were required under the Child Care and Development Block Grant (CCDBG) Act of 2014. The Department is amending the rules to align with these federal and state statutory changes, adding clarity and consistency. The proposed amendments focus on providing equal access to stable child care for low-income children and strengthening requirements to protect the health and safety of children in child care and receiving CCAP funding. The amendments address determination of income for eligibility, frequency of redetermination, determination of copayments, maintaining consistent child care authorizations for children, reporting responsibilities for participants, provider requirements, and payment policies.

Minnesota Statutes, sections 119B.02, subdivisions 1 and 3; 119B.04, subdivision 2; and 119B.06, subdivision 2, authorize DHS to adopt rules for administering CCAP, the child care development fund, and CCDBG. A copy of the proposed rules is published in the *State Register* and available on the Department's website at <https://mn.gov/dhs/partners-and-providers/policies-procedures/rulemaking/>. A free copy of the rules is available upon request from Vanessa Vogl at the contact information listed above.

Comments. You have until 4:30 p.m. on Wednesday, July 20, 2022, to submit written comment in support of or in opposition to the proposed rules or any part or subpart of the rules. Your comment must be in writing and received by Vanessa Vogl by the due date. Comment is encouraged. Your comments should identify the portion of the proposed rules addressed, the reason for the comment, and any change proposed. You are encouraged to propose any change that you desire. Any comments that you have about the legality of the proposed rules must also be made during this comment period.

Request for a Hearing. In addition to submitting comments, you may also request that the Department hold a hearing on the rules. You must make your request for a public hearing in writing, which Vanessa Vogl must receive by 4:30 p.m. on Wednesday, July 20, 2022. You must include your name and address in your written request. In addition, you must identify the portion of the proposed rules that you object to or state that you oppose the entire set of rules. Any request that does not comply with these requirements is not valid and the agency cannot count it when determining whether it must hold a public hearing. You are also encouraged to state the reason for the request and any changes you want made to the proposed rules.

Withdrawal of Requests. If 25 or more persons submit a valid written request for a hearing, the Department will hold a public hearing unless a sufficient number of persons withdraw their requests in writing. If enough requests for hearing are withdrawn to reduce the number below 25, the agency must give written notice of this to all persons who requested a hearing, explain the actions the agency took to effect the withdrawal, and ask for written comments on this action. If a public hearing is required, the agency will follow the procedures in *Minnesota Statutes*, sections 14.131 to 14.20.

Alternative Format/Accommodation. Upon request, this information can be made available in an alternative format, such as large print, braille, or audio. To make such a request or if you need an accommodation to make this hearing accessible, please contact Vanessa Vogl at the email or telephone number listed above.

Modifications. The Department might modify the proposed rules, either as a result of public comment or as a result of the rule hearing process. It must support modifications by data and views submitted to the agency or presented at the hearing. The adopted rules may not be substantially different than these proposed rules unless the Department follows the procedure under *Minnesota Rules*, part 1400.2110. If the proposed rules affect you in any way, the Department encourages you to participate in the rulemaking process.

Cancellation of Hearing. The Department will cancel the hearing scheduled for August 3, 2022 if the agency does not receive requests for a hearing from 25 or more persons. If you requested a public hearing, the agency will notify you before the scheduled hearing whether the hearing will be held. You may also contact Vanessa Vogl after July 20, 2022 to find out whether the hearing will be held.

Notice of Hearing. If 25 or more persons submit valid written requests for a public hearing on the rules, the Department will hold a hearing following the procedures in *Minnesota Statutes*, sections 14.131 to 14.20. The Department will hold the hearing on the date and at the time and place listed above. The hearing will continue until all interested persons have been heard. Administrative Law Judge Barbara Case is assigned to conduct the hearing. Judge Case can be reached at the Office of Administrative Hearings, 600 North Robert Street, P.O. Box 64620, Saint Paul, Minnesota 55164-0620, telephone (651) 361-7875, and fax (651) 539-0310.

Hearing Procedure. If the Department holds a hearing, you and all interested or affected persons, including representatives of associations or other interested groups, will have an opportunity to participate. You may present your views either orally at the hearing or in writing at any time before the hearing record closes. All evidence presented should relate to the proposed rules. You may also submit written material to the Administrative Law Judge to be recorded in the hearing record for five working days after the public hearing ends. At the hearing the Administrative Law Judge may order that this five-day comment period is extended for a longer period but not more than 20 calendar days. Following the comment period, there is a five-working-day rebuttal period when the agency and any interested person may respond in writing to any new information submitted. No one may submit new evidence during the five-day rebuttal period.

All post-hearing comments and responses must be submitted to the Administrative Law Judge no later than 4:30 p.m. on the due date. The Office of Administrative Hearings strongly encourages all persons submitting comments and responses to do so using the [Administrative Hearings' Rulemaking eComments website](https://minnesotaoah.granicusideas.com/discussions) <https://minnesotaoah.granicusideas.com/discussions>. If using the eComments website is not possible, you may submit post-hearing comments in person, via United States mail, or by facsimile addressed to Judge Case at the address or facsimile number listed in the Notice of Hearing section above.

All comments or responses received will be available for review at the Department of Human Services or on the agency's website at <https://mn.gov/dhs/partners-and-providers/policies-procedures/rulemaking/>. This rule hearing procedure is governed by *Minnesota Rules*, parts 1400.2000 to 1400.2240, and *Minnesota Statutes*, sections 14.131 to 14.20. You may direct questions about the procedure to the Administrative Law Judge.

Statement of Need and Reasonableness. The statement of need and reasonableness summarizes the justification for the proposed rules, including a description of who will be affected by the proposed rules and an estimate of the probable cost of the proposed rules. You

may review or obtain copies for the cost of reproduction (if any) by contacting Vanessa Vogl. The SONAR is also available on the Department of Human Service's website at <https://mn.gov/dhs/partners-and-providers/policies-procedures/rulemaking/>.

Lobbyist Registration. *Minnesota Statutes*, chapter 10A, requires each lobbyist to register with the State Campaign Finance and Public Disclosure Board. Ask any questions about this requirement of the Campaign Finance and Public Disclosure Board at: Suite #190, Centennial Building, 658 Cedar Street, St. Paul, Minnesota 55155, telephone (651) 539-1180 or 1-800-657-3889.

Adoption Procedure if No Hearing. If no hearing is required, the agency may adopt the rules after the end of the comment period. The Department will submit the rules and supporting documents to the Office of Administrative Hearings for a legal review. You may ask to be notified of the date the rules are submitted to the office. If you want to receive notice of this, to receive a copy of the adopted rules, or to register with the agency to receive notice of future rule proceedings, submit your request to Vanessa Vogl.

Adoption Procedure after a Hearing. If a hearing is held, after the close of the hearing record, the Administrative Law Judge will issue a report on the proposed rules. You may ask to be notified of the date that the Administrative Law Judge's report will become available, and can make this request at the hearing or in writing to the Administrative Law Judge. You may also ask to be notified of the date that the agency adopts the rules and the rules are filed with the Secretary of State by requesting this at the hearing or by contacting Vanessa Vogl.

Order. I order that the rulemaking hearing be held at the date, time, and location listed above.

March 28, 2022

Date



Amy Akbay
Chief General Counsel
Minnesota Department of Human Services