

237A.13 State child care assistance.

1. A state child care assistance program is established in the department to assist children in families who meet eligibility guidelines and are described by any of the following circumstances:

a. The child's parent, guardian, or custodian is participating in approved academic, vocational, or technical training.

b. The child's parent, guardian, or custodian is seeking employment. Eligibility for assistance while seeking employment shall be limited to thirty days during a twelve-month period.

c. The child's parent, guardian, or custodian is employed a minimum of thirty-two hours per week or an average of thirty-two hours per week during the month if the child requires basic care, or twenty-eight hours per week or an average of twenty-eight hours per week during the month if the child is a special needs child.

d. The child's parent, guardian, or custodian is absent due to hospitalization, physical illness, or mental illness, or is present but is unable to care for the child as verified by a physician or physician assistant.

e. The child needs protective services to prevent or alleviate child abuse or neglect.

f. The person's family circumstances are described in paragraph "a", "b", "c", or "d", the person is thirteen years of age or older but younger than sixteen years of age, and state child care assistance is approved for the person by the director or the director's designee based on a request for an exception to policy made by the person's parent, guardian, or custodian because special family circumstances exist that would place the safety and well-being of the person at risk if the person is left home alone. The definition of child in [section 237A.1](#) does not apply to child care supported by state child care assistance approved pursuant to this lettered paragraph.

2. A family shall only be initially eligible for state child care assistance if the family's gross monthly income does not exceed the lesser of:

a. (1) One hundred sixty percent of the federal poverty level applicable to the family size for children needing basic care.

(2) Two hundred percent of the federal poverty level applicable to the family size for children needing special needs care.

b. Eighty-five percent of the state median gross monthly income.

3. Services under the program may be provided in a licensed child care center, a child development home, the home of a relative, the child's own home, a child care home, or in a facility exempt from licensing or registration.

4. a. The department shall set reimbursement rates as authorized by appropriations enacted for payment of the reimbursements. The department shall conduct a statewide reimbursement rate survey to compile information on each county and the survey shall be conducted at least every two years. The department shall set rates in a manner so as to provide incentives for an unregistered provider to become registered.

b. The department shall not modify reimbursement rates to the state child care assistance program or financial eligibility requirements for a family participating in the state child care assistance program without prior enabling legislation in this state passed on or after January 1, 2023.

5. The department's billing and payment provisions for the program shall allow providers to elect either biweekly or monthly billing and payment for child care provided under the program. The department shall remit payment to a provider within ten business days of receiving a bill or claim for services provided. However, if the department determines that a bill has an error or omission, the department shall notify the provider of the error or omission and identify any correction needed before issuance of payment to the provider. The department shall provide the notice within five business days of receiving the billing from the provider and shall remit payment to the provider within ten business days of receiving the corrected billing.

6. A child care provider shall be allowed to collect from a family participating in the state child care assistance program the difference between the state child care assistance

reimbursement rate and the rate the provider would typically charge a private-pay family for child care, provided the child care provider and family agree in writing to such additional payments prior to the provision of the child care.

7. On or before July 1, 2007, the department shall implement a system for making program payments by electronic funds transfer or other electronic means.

8. The department shall not apply waiting list requirements to any of the following persons:

a. Persons deemed to be eligible for benefits under the state child care assistance program in accordance with [section 239B.24](#).

b. A family that is receiving state child care assistance at the time a child is born into the family. The newborn child shall be approved for services when the family reports the birth of the child.

c. Children who need protective services to prevent or alleviate child abuse or neglect.

d. A child in a family that is eligible for state child care assistance and that receives a state adoption subsidy for the child.

9. Based upon the availability of the funding appropriated for state child care assistance for a fiscal year, the department shall establish waiting lists for state child care assistance in descending order of prioritization as follows:

a. Families with an income at or below one hundred percent of the federal poverty level whose members, for at least thirty-two hours per week in the aggregate, are employed or are participating at a satisfactory level in an approved training program or educational program, and parents with a family income at or below one hundred percent of the federal poverty level who are under the age of twenty-one years and are participating in an educational program leading to a high school diploma or the equivalent.

b. Parents with a family income at or below one hundred percent of the federal poverty level who are under the age of twenty-one years and are participating, at a satisfactory level, in an approved training program or in an educational program.

c. Families with an income of more than one hundred percent but not more than one hundred sixty percent of the federal poverty level whose members, for at least thirty-two hours per week in the aggregate, are employed or are participating at a satisfactory level in an approved training program or educational program.

d. Families with an income at or below two hundred percent of the federal poverty level whose members are employed at least twenty-eight hours per week with a special needs child as a member of the family.

10. Nothing in [this section](#) shall be construed as or is intended as, or shall imply, a grant of entitlement for services to persons who are eligible for assistance due to an income level or other eligibility circumstance addressed in [this section](#). Any state obligation to provide services pursuant to [this section](#) is limited to the extent of the funds appropriated for the purposes of state child care assistance.

[2000 Acts, ch 1067, §15; 2002 Acts, ch 1142, §17, 18, 31; 2003 Acts, ch 81, §7, 8; 2006 Acts, ch 1016, §13; 2006 Acts, ch 1099, §1; 2007 Acts, ch 172, §1; 2007 Acts, ch 215, §99; 2008 Acts, ch 1187, §122; 2014 Acts, ch 1140, §96, 97; 2016 Acts, ch 1108, §22; 2017 Acts, ch 54, §35; 2022 Acts, ch 1066, §40; 2022 Acts, ch 1096, §1; 2022 Acts, ch 1104, §1; 2023 Acts, ch 89, §2](#)
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Referred to in [§234.47, 239B.24](#)
Subsection 1, paragraph c amended
NEW subsection 2 and former subsections 2 – 9 renumbered as 3 – 10
Subsection 4 amended
Subsection 9, paragraphs a and c amended