

**House File 302 - Introduced**

HOUSE FILE 302  
BY COMMITTEE ON HUMAN  
RESOURCES

(SUCCESSOR TO HSB 3)

**A BILL FOR**

1 An Act establishing a graduated eligibility phase-out program  
2 for state child care assistance.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 237A.14 Child care assistance —  
2 graduated eligibility phase-out.

3 1. At the time of a twelve-month eligibility  
4 redetermination for a family receiving state child care  
5 assistance, the family shall remain eligible to receive  
6 child care assistance, subject to the graduated eligibility  
7 phase-out program as specified in subsection 2, if either of  
8 the following conditions are met:

9 a. The family's nonexempt gross monthly income is determined  
10 to be at least two hundred twenty-five percent but less  
11 than two hundred fifty percent of the federal poverty level  
12 applicable to the family size for children needing basic care.

13 b. The family's nonexempt gross monthly income is determined  
14 to be at least two hundred twenty-five percent but less than  
15 two hundred seventy-five percent of the federal poverty level  
16 applicable to the family size for children needing special  
17 needs care.

18 2. a. A family with an income at the following percentages  
19 of the federal poverty level applicable to the family size  
20 for children needing basic care shall be responsible for the  
21 following share of child care costs:

22 (1) A family with an income above two hundred twenty-five  
23 percent of the federal poverty level but less than two hundred  
24 thirty-five percent of the federal poverty level shall pay for  
25 thirty-three percent of the family child care costs.

26 (2) A family with an income at or above two hundred  
27 thirty-five percent of the federal poverty level but less than  
28 two hundred forty-five percent of the federal poverty level  
29 shall pay for forty-five percent of the family child care  
30 costs.

31 (3) A family with an income at or above two hundred  
32 forty-five percent of the federal poverty level but at or less  
33 than two hundred fifty percent of the federal poverty level  
34 shall pay for sixty percent of the family child care costs.

35 b. A family with an income at the following percentages of

1 the federal poverty level applicable to the family size for  
2 children needing special needs care shall be responsible for  
3 the following share of child care costs:

4 (1) A family with an income above two hundred twenty-five  
5 percent of the federal poverty level but less than two hundred  
6 forty-five percent of the federal poverty level shall pay for  
7 thirty-three percent of the family child care costs.

8 (2) A family with an income at or above two hundred  
9 forty-five percent of the federal poverty level but less than  
10 two hundred sixty-five percent of the federal poverty level  
11 shall pay for forty-five percent of the family child care  
12 costs.

13 (3) A family with an income at or above two hundred  
14 sixty-five percent of the federal poverty level but at or less  
15 than two hundred seventy-five percent of the federal poverty  
16 level shall pay for sixty percent of the family child care  
17 costs.

18 c. The graduated eligibility phase-out as provided in  
19 paragraphs "a" and "b" shall be implemented no later than July  
20 1, 2022.

21 3. Child care provider reimbursement rates under the  
22 graduated eligibility phase-out program shall be the same rates  
23 as the child care provider reimbursement rates in effect on  
24 July 1, 2021.

25 4. The department of human services shall adopt rules  
26 pursuant to chapter 17A in accordance with this section.

27

EXPLANATION

28 The inclusion of this explanation does not constitute agreement with  
29 the explanation's substance by the members of the general assembly.

30 This bill establishes a graduated eligibility phase-out  
31 program for state child care assistance.

32 The bill provides that at the time of a 12-month eligibility  
33 redetermination for a family receiving state child care  
34 assistance, the family shall remain eligible for child care  
35 assistance, subject to the graduated eligibility phase-out

1 program, if either the family's nonexempt gross monthly  
2 income is at least 225 percent but less than 250 percent of  
3 the federal poverty level applicable to the family size for  
4 children needing basic care or the family's nonexempt gross  
5 monthly income is at least 225 percent but less than 275  
6 percent of the federal poverty level applicable to the family  
7 size for children needing special needs care.

8 The bill provides that a family with children needing basic  
9 care shall pay for 33 percent of the family's child care costs  
10 if the family's income is above 225 percent but less than  
11 235 percent of the federal poverty level; 45 percent of the  
12 family's child care costs if the family's income is at or above  
13 235 percent but less than 245 percent of the federal poverty  
14 level; and 60 percent of the family's child care costs if the  
15 family's income is at or above 245 percent but at or less than  
16 250 percent of the federal poverty level.

17 A family with children needing special needs care shall pay  
18 for 33 percent of the family's child care costs if the family's  
19 income is above 225 percent but less than 245 percent of the  
20 federal poverty level; 45 percent of the family's child care  
21 costs if the family's income is at or above 245 percent but  
22 less than 265 percent of the federal poverty level; and 60  
23 percent of the family's child care costs if the family's income  
24 is at or above 265 percent but at or less than 275 percent of  
25 the federal poverty level.

26 The bill provides that the graduated eligibility phase-out  
27 program for eligible families shall be implemented no later  
28 than July 1, 2022.

29 The bill provides that child care provider reimbursement  
30 rates under the graduated eligibility phase-out program  
31 shall be the same rates as the child care assistance provider  
32 reimbursement rates in effect on July 1, 2021.

33 The department of human services is directed to adopt rules  
34 in accordance with the provisions of the bill.