

Child Care Assistance, Eligibility Bill House File 707

As amended by Senate Amendment H-1343

Last Action:

Senate Floor

May 2, 2023

Executive Summary Only

An Act relating to State child care assistance eligibility requirements and child care provider reimbursement rates.

**Fiscal Services Division
Legislative Services Agency**

NOTES ON BILLS AND AMENDMENTS (NOBA)

Available online at www.legis.iowa.gov/publications/information/appropriationBillAnalysis

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MAJOR INCREASES/DECREASES/TRANSFERS OF EXISTING PROGRAMS

Child Care Assistance Eligibility Increase: Increases the proposed income limit for State Child Care Assistance (CCA) eligibility from 155.0% of the federal poverty level (FPL) to 160.0% of the FPL.

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Detail: The current income limit for CCA eligibility is 145.0% of the FPL.

Fiscal Impact: Increasing the CCA eligibility limit from 145.0% of the FPL to 160.0% of the FPL at the current reimbursement rate will increase annual expenditures by \$13.2 million. Increasing the childcare provider reimbursement rates as detailed in this Bill for those currently enrolled will increase annual expenditures by \$10.9 million. Increasing the reimbursement rates in addition to the increased eligibility will increase annual expenditures by an additional \$1.6 million. The total annual fiscal impact of increasing the CCA eligibility limit 160.0% of the FPL and increasing reimbursement rates is \$25.7 million.