HOUSE FILE 2424
BY COMMITTEE ON HUMAN
RESOURCES

(SUCCESSOR TO HF 2203)

(As Amended and Passed by the House March 9, 2020)

[= New Language by the House

* = Language Stricken by the House

A BILL FOR

An Act establishing a graduated eligibility phase-out program for state child care assistance.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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

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

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

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

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

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

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

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

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

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

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

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

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

c. The graduated eligibility phase-out as provided in paragraphs "*a*" and "*b*" shall be implemented no later than July 1, 2021.

3. Child care provider reimbursement rates under the graduated eligibility phase-out program shall be the same rates as the child care provider reimbursement rates in effect on July 1, 2020.

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