




## SNAPSHOT FROM MIDWEST ON CHILD CARE POLICY: RECENT ACTIONS AND UNIQUE/INNOVATIVE LAWS

**ILLINOIS: HIGHER INCOME CAPS ALLOW MORE FAMILIES TO GET HELP WITH COSTS**



Last year, eligibility for Illinois' Child Care Assistance Program was expanded in two ways. First, families with incomes of up to 200 percent of the federal poverty level began qualifying for assistance (it had been 185 percent). Second, this state assistance continued even when participating families' income levels went above 200 percent (up to a maximum of 225 percent above poverty).

**INDIANA: 2020 LAW EXPANDS REACH OF WORKER BACKGROUND CHECKS**



With this year's passage of HB 1264, Indiana strengthened its background check requirements in child-care facilities. The previous law only mandated background checks for individuals who have direct contact with children. Under the new law, the criminal histories of all employees and volunteers will be checked.

**IOWA: CHALLENGE FUND ENCOURAGES OPENING OF NEW CHILD CARE CENTERS**



Iowa legislators created a new fund this year (part of HF 2629) to encourage businesses, nonprofit groups or local consortiums to build new child care facilities for their communities. Through the fund, the state will provide matching dollars for locally driven projects that expand the availability of child care for working families.

**KANSAS: STATE IS INCREASING VALUE OF TAX CREDIT FOR FAMILIES' CHILD CARE EXPENSES**



According to the National Women's Law Center, Kansas is one of five Midwestern states (Iowa, Minnesota, Nebraska and Ohio are the others) that provide a tax credit to families to offset expenses related to child care. The credit was established in 2017 (SB 30), and the maximum value has been rising every year. In tax year 2020, the amount will be equal to 25 percent of the credit offered to families through the federal Child and Dependent Care Tax Credit.

**MICHIGAN: CHILD CARE IS BIG PART OF RECENTLY ENACTED 2021 BUDGET**



Michigan's new budget has several child care provisions: increasing the number of families eligible to receive state assistance (the cap was raised to 150 percent of the federal poverty limit); new grants for child care centers; and a \$1 million pilot project to expand the availability of child care via "tri-share" funding partnerships involving the state, local businesses and providers.

**MINNESOTA: EARLY LEARNING SCHOLARSHIPS IMPROVE ACCESS TO HIGH-QUALITY CARE**



Seven years ago, Minnesota launched a scholarship program to improve families' access to quality early-education and child care programs. In 2019, more than 15,000 children received early-learning scholarships through this program. Up to \$7,500 per child is available to attend one of the state's highest-rated child care programs. Lesser amounts are available to attend lower-rated programs. Starting in 2021, scholarships of up to \$10,000 will be available for young children who are in foster care, in need of protective services, homeless or the child of a teen parent.

**NEBRASKA: SCHOOL READINESS TAX CREDITS GO TO CHILD CARE PROVIDERS, WORKERS**



Since passage of a law in 2016, Nebraska has been offering "school readiness" tax credits to early-childhood programs and workers. The credit for providers varies depending on where they fall on the state's Step Up To Quality rating system: \$1,597 per child for level-four providers vs. \$532 for level-one providers. Employees are eligible to receive credits of anywhere from \$532 to \$1,597. Higher amounts go to more-qualified workers.

**NORTH DAKOTA: STATE STANDS OUT FOR RATES OF PAYMENTS TO CHILD CARE PROVIDERS**



The U.S. government recommends that state payment rates for child care providers be equal to at least 75 percent of market rates in local communities. North Dakota was one of only four states (along with South Dakota and two others outside the Midwest) that met this payment-rate threshold in 2019, according to the National Women's Law Center. These state payments are for providers serving lower-income families eligible for child care assistance.

**OHIO: PUBLICLY FUNDED PROVIDERS MUST MEET STATE'S QUALITY STANDARDS**



In July 2020, participation in Ohio's Step Up To Quality program began being required of all licensed child care providers that receive state funding. Additionally, these providers must receive a rating of three, four or five on Ohio's five-star scale, which considers factors such as staff qualifications and professional development, leadership practices and learning environments. In advance of the state mandate, Ohio offered incentives and grants for providers to be rated and improve quality of care.

**SASKATCHEWAN: CHILD CARE AVAILABILITY TIED TO PROVINCE'S BROADER GROWTH STRATEGY**


Since 2007, the number of child care spaces in the province has increased by 80 percent (from 7,100 to 16,700). A continued increase in capacity is part of Saskatchewan's broader, long-term strategy for economic growth. For individuals wanting to start a licensed, home-based business, Saskatchewan offers startup grants, training from child care consultants and promotional assistance.

**SOUTH DAKOTA: STATE EXEMPTS SOME FAMILIES FROM CO-PAYMENT REQUIREMENTS**


In recent years, South Dakota has expanded the number of families who can receive assistance to pay for their child care costs. The state's eligibility cap increased from 175 percent of the federal poverty limit in 2018 to the current level of 209 percent. According to the National Women's Law Center, as of 2019, South Dakota also was the only U.S. state that fully exempted low-income families from co-payments related to child care (those with incomes at or below 160 percent of the federal poverty level.)

**WISCONSIN: 4-YEAR-OLDS HAVE ACCESS TO KINDERGARTEN ACROSS STATE**


Under the Wisconsin Constitution, schools in the state must be "free and without charge" for students beginning at the age of 4. As a result, local school districts receive state dollars (via Wisconsin's K-12 funding formula) to provide half-day kindergarten to 4-year-olds. Recent legislative proposals have called for the state to fund full-day kindergarten for 4-year-olds and expand access to include some 3-year-olds.

