

Subject CCAP program integrity

Authors West

Analyst Annie Mach

Date March 10, 2025

Overview

This bill establishes program integrity provisions for the child care assistance program (CCAP). CCAP is a federal-state program that subsidizes child care expenses for low-income families. In fiscal year 2023, an average of 11,500 families and 22,150 children participated in CCAP each month in Minnesota, and combined federal, state, and county spending on the program was about \$240 million. CCAP is administered by the Department of Children, Youth, and Families.

Summary

Section	Description
---------	-------------

- | | |
|---|--|
| 1 | <p>Child care assistance program.</p> <p>Amends § 13.461, subd. 28. Provides that the data classification for video footage of child care provider operations collected or maintained by the commissioner of children, youth, and families is codified in section 142E.161, and not in chapter 13.</p> |
| 2 | <p>Duties of the commissioner.</p> <p>Amends § 142A.03, subd. 2. Directs the commissioner of children, youth, and families to publish a report on the department’s website that summarizes the actions the department took in the previous year to detect, prevent, investigate, and resolve fraudulent activities in programs administered by the department (including CCAP).</p> <p>Makes the section effective immediately.</p> |
| 3 | <p>Inspections; video monitoring.</p> <p>Establishes § 142E.161. Adds requirements for child care providers that receive \$500,000 or more a year under CCAP.</p> <p>Subd. 1. Definitions. Defines the terms “facility” and “video monitoring” for purposes of the section.</p> |

Section	Description
---------	-------------

Subd. 2. General requirements. Provides that the commissioner of children, youth, and families must conduct inspections and video monitoring of child care providers as required by the section.

Subd. 3. Inspections. Directs the commissioner to conduct two unannounced inspections of any provider that receives \$500,000 or more under CCAP in a year and four unannounced inspections of any provider that receives \$1,000,000 or more in a year. Provides that the inspections must be in addition to licensing inspections.

Subd. 4. Video monitoring. Subjects a child care provider that receives \$1,000,000 or more under CCAP in a year to video monitoring by the commissioner.

Subd. 5. Department data practices. Provides that video footage collected or maintained by the commissioner under this section is classified as protected nonpublic data under Minnesota Statutes, section 13.02, subdivision 13.

Subd. 6. Retention, dissemination, and disposal of recordings. Requires that a provider retain the recordings required under this section for 90 days and dispose of them after 90 days, unless the provider has been notified that the recording is needed as part of an investigation of a suspected crime committed against a child at the center. Prohibits a provider from selling, sharing, transmitting, or disseminating a recording except as authorized. Provides that a provider may distribute a recording pursuant to a legal or administrative proceeding, including an investigation by the commissioner.

Makes the section effective September 1, 2025.

4 **Provider payments.**

Amends § 142E.17, subd. 9. Requires that child care providers who bill CCAP sign each bill and declare, under penalty of perjury, that the information in the bill is accurate.

Makes the section effective August 1, 2025.

5 **Statewide electronic record-keeping system.**

Directs the commissioner of children, youth, and families to establish and implement a statewide electronic records system for CCAP by July 1, 2026.

Makes the section effective immediately.

Section	Description
6	<p data-bbox="316 262 511 300">Appropriation.</p> <p data-bbox="316 310 1430 459">Appropriates \$3,778,000 in fiscal year 2026 and \$1,115,000 in fiscal year 2027 to the commissioner of children, youth, and families for the inspections required under section 142E.161 and the statewide electronic records system. Makes the base for the appropriation \$1,115,000 in fiscal year 2028 and beyond.</p>



**MN HOUSE
RESEARCH**

Minnesota House Research Department provides nonpartisan legislative, legal, and information services to the Minnesota House of Representatives. This document can be made available in alternative formats.

www.house.mn.gov/hrd | 651-296-6753 | Third Floor, Centennial Office Building | St. Paul, MN 55155