



## 2025 South Dakota Legislature

# Senate Bill 126

Introduced by: **Senator Reed**

1 **An Act to establish the manner of determining payments for the child care**  
2 **assistance program.**

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 **Section 1. That § 28-1-60 be AMENDED:**

5 **28-1-60.** The Department of Social Services shall establish a child care assistance  
6 ~~program of child care services~~ to assist families with child care services and to aid in the  
7 improvement of quality and services for the care of children in day care. The department  
8 may assist in the improvement, availability, and quality of day care for children by  
9 providing training, education, and advocacy for child care.

10 **Section 2. That § 28-1-61 be AMENDED:**

11 **28-1-61.** The secretary of social services ~~may~~ shall adopt ~~reasonable and~~  
12 ~~necessary~~ rules pursuant to chapter 1-26 for the administration of the child care ~~services~~  
13 assistance program in the following areas:

- 14 (1) Eligibility determination, criteria, and application procedure;
- 15 (2) The amount, scope, and duration of child care services and payments;
- 16 (3) Fees;
- 17 (4) Licensing and registration;
- 18 (5) Methods of administration, record keeping, and audit;
- 19 (6) Compliance monitoring;
- 20 (7) Complaint investigation;
- 21 (8) Reporting requirements;
- 22 (9) Eligibility criteria and procedures for grants, contracts, and awards to providers of
- 23 child care services under § 28-1-60;
- 24 (10) Training, community and provider education, and child advocacy; and

- 1       (11) ~~Such~~ Any other standards and requirements ~~as may be~~ necessary to ensure the  
2           efficient operation and administration of the program or as required to qualify for  
3           federal funding.

4       **Section 3. That a NEW SECTION be added to chapter 28-1:**

5           In determining payments for the child care assistance program, the Department of  
6       Social Services shall use at least the ninetieth percentile amount of the market rate for  
7       the applicable area, identified in the most recent market rate survey, as required by 45  
8       C.F.R. § 98.45 (January 1, 2025), for the following programs and age groups:

9       (1)    Before and after school care programs;

10      (2)    Child care programs:

11           (a)    Under age three;

12           (b)    Between ages three and five; and

13           (c)    Ages six and older; and

14      (3)    Family day care:

15           (a)    Under age three;

16           (b)    Between ages three and five; and

17           (c)    Ages six and older.