

199.885 Employee Child Care Assistance Partnership fund.

- (1) There is hereby established in the State Treasury a revolving account to be known as the Employee Child Care Assistance Partnership fund. The fund shall consist of moneys appropriated by the General Assembly, contributions, gifts, or grants made available for the purposes of the program.
- (2) The fund shall be administered by the cabinet or its designated department.
- (3) Notwithstanding KRS 45.229, any moneys remaining in the fund at the close of the fiscal year shall not lapse but shall be carried forward to the next fiscal year.
- (4) Any interest earnings of the fund shall become a part of the fund and shall not lapse.
- (5) Moneys deposited in the fund are hereby appropriated for the purposes set forth in KRS 199.881 to 199.888 and shall not be appropriated or transferred by the General Assembly for any other purpose.
- (6) A third-party administrator shall issue state matches out of the fund to child-care providers in accordance with the provisions of the respective contracts and in the order that the cabinet processed the contracts.
- (7)
 - (a) The state match shall not exceed one hundred percent (100%) of the contribution made by the employer for contracts in which the employee's household income is equal to or less than one hundred percent (100%) of the state median household income.
 - (b) The state match shall decrease by ten percent (10%) for each twenty percent (20%) increase in household income over one hundred percent (100%) of the state median household income up to one hundred eighty percent (180%) of the state median household income.
 - (c) The state match shall equal fifty percent (50%) for contracts in which the employee's household income exceeds one hundred eighty percent (180%) of the state median household income.
- (8) In each fiscal year, twenty-five percent (25%) of the total fund shall be distributed to agreements in which an employer is a small business.
- (9) In fiscal year 2022-2023, five percent (5%) of the total fund shall be distributed to the cabinet to administer the program. Beginning in fiscal year 2026-2027 and in every fiscal year thereafter, up to ten percent (10%) of the total fund shall be distributed to the cabinet for administrative purposes related to the program.
- (10) A state match issued pursuant to this program and administered by a third-party administrator is for the promotion of the general welfare and shall not be considered compensation for an employee's service.

Effective: April 14, 2026

History: Amended 2026 Ky. Acts ch. 146, sec. 12, effective April 14, 2026. -- Created 2022 Ky. Acts ch. 184, sec. 5, effective April 8, 2022.