STATE CHILD CARE ASSISTANCE POLICIES: SOUTH DAKOTA

• **Income eligibility limit:** In 2017, a family of three in South Dakota could qualify for child care assistance with an annual income up to $36,750 (180 percent of poverty, 57 percent of state median income).¹

• **Waiting list:** South Dakota had no waiting list for child care assistance as of February 2017.

• **Parent copayments:** In 2017, a family of three with an income at 100 percent of poverty ($20,420 a year) receiving child care assistance in South Dakota had no copayment. A family of three with an income at 150 percent of poverty ($30,630 a year) receiving child care assistance paid $368 per month, or 14 percent of its income, in copayments.²

• **Payment rates:** In 2017, South Dakota's payment rates for child care providers serving families receiving child care assistance were at the federally recommended level—the 75th percentile of current market rates, which is the level designed to give families access to 75 percent of the providers in their community.
  - South Dakota’s monthly payment rate for center care for a four-year-old in Minnehaha County (Sioux Falls) was $692, which was equal to the 75th percentile of current market rates for this type of care.
  - South Dakota’s monthly payment rate for center care for a one-year-old in Minnehaha County (Sioux Falls) was $770, which was equal to the 75th percentile of current market rates for this type of care.

• **Tiered payment rates:** In 2017, South Dakota did not have higher payment rates for higher-quality care.

• **Eligibility for parents searching for a job:** In 2017, South Dakota allowed parents already receiving child care assistance to continue receiving it for up to 90 days while searching for a job.³ However, the state did not allow parents to initially qualify for and begin receiving child care assistance while searching for a job.

This income limit takes into account that the state disregards 4 percent of earned income in determining eligibility. The stated income limit, in policy, was $35,280 in February 2017. As of March 2017, the stated income limit was increased to $35,736 (175 percent of poverty) to adjust for the 2017 federal poverty level. Also note that in 2017, families already receiving assistance whose income exceeded the initial eligibility limit to qualify for assistance could continue receiving assistance, for up to an additional two months after their recertification, if their income did not exceed $54,629 (85 percent of state median income).

These copayment amounts were calculated based on adjusted income, taking into account the earned income disregard discussed above. Also note that foster children and families receiving Temporary Assistance for Needy Families (TANF) are exempt from copayments. In addition, families with adjusted incomes at or below 100 percent of the 2016 federal poverty level ($20,160 a year for a family of three) were exempt from copayments in 2017.

Parents receiving child care assistance can continue to receive it while searching for a job for up to 90 days or until the end of their eligibility period, whichever comes first.