



132nd MAINE LEGISLATURE

FIRST REGULAR SESSION-2025

Legislative Document

No. 561

S.P. 240

In Senate, February 25, 2025

An Act to Ensure Subsidy Reimbursements for Certain Child Care Providers

Received by the Secretary of the Senate on February 19, 2025. Referred to the Committee on Health and Human Services pursuant to Joint Rule 308.2 and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT
Secretary of the Senate

Presented by Senator BALDACCI of Penobscot.
Cosponsored by Senators: MOORE of Washington, RAFFERTY of York, Representatives:
MCCABE of Lewiston, SHAGOURY of Hallowell.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 22 MRSA §3737, sub-§6** is enacted to read:

3 **6. Reimbursements for subsidies.** The department shall reimburse a provider of child
4 care services provided under this chapter for subsidy payments under the Maine Child Care
5 Affordability Program in section 3731-A administered by the department pursuant to rules
6 adopted by the department. Reimbursement under the program to a child care provider must
7 be based on generally accepted payment practices for private-pay families for child care,
8 including enrollment-based rather than attendance-based practices, and may not be reduced
9 or eliminated based on a child's attendance. Reimbursement based on generally accepted
10 payment practices must support child care provider stability and encourage more child care
11 providers to serve children receiving child care services. In developing the program, the
12 department shall identify the practices common for child care providers serving private-
13 pay families and determine which practices are most important to meet the goals of
14 ensuring that high-quality child care providers will participate in the subsidy program and
15 make a plan to align requirements for providers accepting children receiving federal Child
16 Care and Development Fund child care assistance to the practices of private-paying child
17 care providers. The department shall examine generally accepted payment practices
18 regarding paying prospectively based on enrollment and practices related to separating
19 provider closure limits for holidays or vacations or to compensate for inclement weather
20 from child absence allowances. The department shall adopt rules to implement this
21 subsection. Rules adopted pursuant to this subsection are routine technical rules as defined
22 in Title 5, chapter 375, subchapter 2-A.

23 For the purposes of this subsection, "generally accepted payment practices" are practices
24 that align with the private-paying child care market in order to encourage providers to
25 accept children receiving federal Child Care and Development Fund child care assistance
26 and enable families to retain child care services.

27 **Sec. 2. Effective date.** This Act takes effect July 1, 2026.

28 SUMMARY

29 This bill requires the Department of Health and Human Services to reimburse child
30 care providers for subsidies based on enrollment rather than attendance.