



131st MAINE LEGISLATURE

SECOND REGULAR SESSION-2024

Legislative Document

No. 2199

S.P. 935

In Senate, February 1, 2024

**An Act to Ensure Subsidy Reimbursements and Emergency
Financial Assistance for Certain Child Care Providers**

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 203.

Reference to the Committee on Health and Human Services suggested and ordered printed.

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

DAREK M. GRANT
Secretary of the Senate

Presented by President JACKSON of Aroostook.
Cosponsored by Speaker TALBOT ROSS of Portland and
Senators: BALDACCI of Penobscot, DAUGHTRY of Cumberland, INGWERSEN of York,
MOORE of Washington, VITELLI of Sagadahoc, Representatives: CRAVEN of Lewiston,
GRAHAM of North Yarmouth.

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 child care subsidy
5 program in section 3737-B administered by the department pursuant to rules adopted by
6 the department. Reimbursement under the program to a child care provider must be based
7 on generally accepted payment practices for private-pay families for child care, including
8 enrollment-based rather than attendance-based practices, and may not be reduced or
9 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. 22 MRSA §3737-B** is enacted to read:

28 **§3737-B. Emergency financial assistance to child care providers**

29 **1. Program created.** The department shall establish a program to provide short-term
30 emergency financial assistance to child care providers. The program must be designed to
31 provide emergency financial assistance to child care providers on a one-time basis, based
32 on need. The financial assistance may consist of grants or loans to support short-term
33 facility or operational costs. The department shall provide technical assistance for providers
34 to support their financial planning, capacity and stability.

35 **2. Rules.** The department shall adopt rules to implement this section. Rules adopted
36 pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375,
37 subchapter 2-A.

38 **SUMMARY**

39 This bill requires the Department of Health and Human Services to reimburse child
40 care providers for subsidies based on enrollment rather than attendance. The bill also directs
41 the department to create a program to provide short-term, one-time emergency financial
42 assistance to child care providers based on need to support short-term facility or operational

1 costs, and to provide technical assistance to support their financial planning, capacity and
2 stability.