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HEALTH AND HUMAN SERVICES

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**STATE OF MAINE
SENATE
129TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT “ ” to S.P. 291, L.D. 1012, Bill, “An Act To Provide Stable Funding and Support for Child Care Providers”

Amend the bill by striking out all of section 2 and inserting the following:

Sec. 2. 22 MRSA §3737, sub-§3, as corrected by RR 2015, c. 1, §21, is amended to read:

3. Quality differential. To the extent permitted by federal law, the department shall pay a differential rate for child care services that meet or that make substantial progress toward meeting nationally recognized quality standards, such as those standards required by the Head Start program or required for accreditation by the National Association for the Education of Young Children, and shall do so from the Child Care Development Fund 25% Quality Set-aside funds or by other acceptable federal practices. Rules adopted pursuant to this subsection are routine technical rules as defined by Title 5, chapter 375, subchapter 2-A. The rules must establish a 4-step child care quality rating system and must provide for graduated quality differential rates for step 2, step 3 and step 4 child care services.

Nothing in this subsection requires the department to pay a quality differential rate for child care services provided through the Temporary Assistance for Needy Families block grant. Nothing in this subsection prohibits the department from using state funds to pay a quality differential rate for child care services.

Sec. 3. 22 MRSA §3737, sub-§3-A is enacted to read:

3-A. Graduated quality differential rates. The graduated quality differential rates that the department is required to pay for child care services under subsection 3 include:

A. Five percent for step 2 child care services other than for infants or 25% for step 2 child care services for infants;

B. Ten percent for step 3 child care services other than for infants or 30% for step 3 child care services for infants; and

COMMITTEE AMENDMENT

1 C. Fifteen percent for step 4 child care services other than for infants or 35% for step
2 4 child care services for infants.'

3 Amend the bill by striking out all of section 4 and inserting the following:

4 '**Sec. 4. 22 MRSA §3737, sub-§§5 and 6** are enacted to read:

5 **5. Use of contracts to improve supply of care for infants, toddlers and preschool**
6 **children.** The department may use up to 25% of funding received each year from the
7 child care and development block grant authorized under the federal Child Care and
8 Development Block Grant Act of 1990 for providing child care services for contracts
9 with providers of child care services at step 3 and step 4 under subsection 3 to increase
10 the availability of care for infants, toddlers and preschool children up to 4 years of age.
11 The contracts must prioritize continuity of care and stable settings for infants, toddlers
12 and preschool children up to 4 years of age but may support children in another age
13 group. To qualify for a contract, a provider of child care services under this subsection
14 must have appropriate training in child development, child trauma, adverse childhood
15 experience, child protective services and working with children with disabilities. The
16 department shall ensure that any contracts issued are granted to providers of child care
17 services under this subsection that prioritize the following at-risk populations:

18 A. Infants, toddlers and preschool children up to 4 years of age receiving or who
19 have received child protective services;

20 B. Infants with disabilities or those referred by the Child Development Services
21 System as defined in Title 20-A, section 7001, subsection 1-A;

22 C. Infants whose parents are participating in a substance use disorder treatment
23 program;

24 D. Infants whose parents are or have been homeless in the preceding 6 months; and

25 E. Infants in geographic areas of the State where parents have few opportunities to
26 secure high-quality infant care.

27 The department shall submit an annual report to the joint standing committee of the
28 Legislature having jurisdiction over health and human services matters no later than
29 January 1st of each year, beginning in 2021, describing the use of contracts pursuant to
30 this subsection. The report must include the number of contracts, the percentage of block
31 grant funding used for the contracts and the number, grouped by paragraphs A to E, of at-
32 risk children.

33 **6. Shared services.** The department may create a program to support providers of
34 child care services in sharing administrative and program services and costs to make the
35 providers more efficient and financially sustainable and to improve the providers' ability
36 to deliver high-quality child care services.

37 **Sec. 5. Appropriations and allocations.** The following appropriations and
38 allocations are made.

39 **HEALTH AND HUMAN SERVICES, DEPARTMENT OF**

40 **Child Care Services 0563**

1 Initiative: Provides funding to establish graduated quality differential rates for steps 2 to 4
2 in the 4-step child care quality rating system.

3	GENERAL FUND	2019-20	2020-21
4	All Other	\$511,252	\$511,252
5			
6	GENERAL FUND TOTAL	<u>\$511,252</u>	<u>\$511,252</u>
7			

8 Amend the bill by relettering or renumbering any nonconsecutive Part letter or
9 section number to read consecutively.

10 **SUMMARY**

11 This amendment, which is the majority report, lowers the increases to graduated
12 quality differential rates for child care services for children other than infants from the
13 bill. It also clarifies that the Department of Health and Human Services may use state
14 funds to pay a quality differential rate for high-quality child care services if it chooses to
15 do so. It allows the Department of Health and Human Services to use up to 25% of the
16 State's federal child care and development block grant funding for contracts for high-
17 quality child care to underserved children and areas of the State rather than requiring use
18 of funding for contracts. The department is required to submit an annual report to the
19 joint standing committee of the Legislature having jurisdiction over health and human
20 services matters on the number of contracts, the percentage of block grant funding used
21 for the contracts and the number of children served. It allows, rather than requires as in
22 the bill, the department to develop a shared services program.

23 **FISCAL NOTE REQUIRED**

24 **(See attached)**