

# MAINE STATE LEGISLATURE

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**MAJORITY**

Date: 6/14/19

(Filing No. S-311)

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**HEALTH AND HUMAN SERVICES**

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**STATE OF MAINE**

**SENATE**

**129TH LEGISLATURE**

**FIRST REGULAR SESSION**

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

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

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

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**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.

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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.

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

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**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:

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

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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**

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

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

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

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

- A. Infants, toddlers and preschool children up to 4 years of age receiving or who have received child protective services;
- B. Infants with disabilities or those referred by the Child Development Services System as defined in Title 20-A, section 7001, subsection 1-A;
- C. Infants whose parents are participating in a substance use disorder treatment program;
- D. Infants whose parents are or have been homeless in the preceding 6 months; and
- E. Infants in geographic areas of the State where parents have few opportunities to secure high-quality infant care.

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

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

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

**HEALTH AND HUMAN SERVICES, DEPARTMENT OF  
Child Care Services 0563**

COMMITTEE AMENDMENT "A" to S.P. 291, L.D. 1012 (S-211)

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

<b>GENERAL FUND</b>	<b>2019-20</b>	<b>2020-21</b>
All Other	\$511,252	\$511,252
<b>GENERAL FUND TOTAL</b>	<u>\$511,252</u>	<u>\$511,252</u>

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

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**SUMMARY**

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

**FISCAL NOTE REQUIRED**

(See attached)

**COMMITTEE AMENDMENT**



# 129th MAINE LEGISLATURE

LD 1012

LR 217(02)

## An Act To Provide Stable Funding and Support for Child Care Providers

Fiscal Note for Bill as Amended by Committee Amendment "A" (S-21)  
 Committee: Health and Human Services  
 Fiscal Note Required: Yes

### Fiscal Note

	FY 2019-20	FY 2020-21	Projections FY 2021-22	Projections FY 2022-23
<b>Net Cost (Savings)</b>				
General Fund	\$511,252	\$511,252	\$511,252	\$511,252
<b>Appropriations/Allocations</b>				
General Fund	\$511,252	\$511,252	\$511,252	\$511,252

#### Fiscal Detail and Notes

The bill includes ongoing General Fund appropriations to the Department of Health and Human Services of \$511,252 beginning in fiscal year 2019-20 to establish graduated quality differential rates for steps 2 to 4 in the 4-step child care quality rating system.