

Amendment from the sponsor, President Jackson, for LD 1726 (next iteration
– June 1st:

An Act to Build Maine's Economy by Supporting Child Care for Working Families

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

Sec. 1. 5 MRSA §12004-I, sub-§39-A is enacted to read:

39-A. Human Services

Human
Services

Child Care Task Force

Not Authorized

22 MRSA
§3740-E

Sec. 2. 22 MRSA §3731-A is enacted to read:

§3731-A. Maine Child Care Scholarship Affordability Program

The Maine Child Care Scholarship Affordability Program is established in the department to provide child care subsidies under this chapter in accordance with the principles described under section 3732 to support the quality child care needs of children and working families while also providing a living wage to early childhood educators. Eligibility for child care subsidies under the Maine Child Care Scholarship Affordability Program must be determined in accordance with this chapter and rules adopted pursuant to this chapter. Rules adopted pursuant to this paragraph are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

Sec. 3. 22 MRSA §3736, sub-§2, as enacted by PL 1993, c. 158, §2, is amended to read:

2. Eligibility decision within 30 15 days; retroactive reimbursement. The department shall determine eligibility for child care programs administered under this chapter within 30 15 days of receiving an a completed application. If a contractor determines eligibility, the department shall require that the contractor determine eligibility within 30 15 days of receiving an a completed application. The department shall provide retroactive reimbursement to a child care program that provided tuition assistance to an applicant during the application period.

Sec. 4. 22 MRSA §3736, sub-§4 is enacted to read:

4. Changes in eligibility. The department shall notify a provider of child care services provided under this chapter within 2 business days of when a recipient's eligibility changes.

Sec. 5. 22 MRSA §3736, sub-§5 is enacted to read:

5. Payments to providers within 15 days. The department shall reimburse a provider of child care services provided under this chapter within 15 days after receiving a complete and accurate invoice provided that the provider has met all the required state procurement and payment requirements.

Sec. 6. 22 MRSA §3740-A is enacted to read:

§3740-A. Report

The department shall evaluate child care subsidies provided under this chapter and, beginning December 6, 2023 January 15, 2024 and annually thereafter, submit a report of

the evaluation with recommendations on increasing enrollment and reducing barriers to families receiving child care subsidies to the joint standing committee of the Legislature having jurisdiction over health and human services matters. The report must include:

1. Barriers. The identification of access barriers:

A. For children and families to know about and enroll in the Maine Child Care Scholarship Program established under section 3731-A; and

B. For all child care programs to participate in the Maine Child Care Scholarship Program established under section 3731-A;

2. Feedback. The ways in which the department has engaged in feedback from families and child care programs through multiple engagement tools, such as surveys, listening sessions and focus groups; and

3. Reimbursement. The instances and frequency of and reasons for delayed or late reimbursement payments from the Office of Child and Family Services to participating child care programs and plans to remedy delayed or late reimbursement payments.

Sec. 7. 22 MRSA §3740-B is enacted to read:

§3740-B. Quality child care costs estimator tool

The department, in consultation with the Children's Cabinet established under Title 5, section 19131, subsection 1 and the council, shall create and maintain an estimator tool in accordance with this section to calculate the actual cost of quality child care:

1. Requirements The estimator tool must

A. Include a living wage compensation scale for early childhood educators pursuant to the recommendations of the Child Care Task Force established in section 3740-E;

B. Include regional differences in costs;

C. Include employee salaries and benefits;

D. Include facility costs;

E. Include costs associated with compliance with statutory and rule requirements, including the child care quality rating system participation under section 3737, subsection 3 and specific costs associated with each step of the rating system and any quality indicators used; and

F. Use data and research available from existing studies and reports.

2. Considerations. In developing the estimator tool, the department shall:

A. Evaluate the effectiveness of current boundaries of child care subsidy regions;

B. Consider differentiating child care subsidy rates by child age and geographic region; and

C. Examine alternatives to the current system under paragraph B, such as zip code level regions or regionalization based on urban, suburban or rural designations.

3. Accessibility. The estimator tool must be publicly accessible. The department's process for making changes to the tool must be transparent to the public.

Replace with:

§3740-B. Quality child care costs estimator tool

1. Purpose. The department shall create and maintain a costs estimator model in accordance with this section to calculate the actual cost of quality child care.

2. Considerations. In developing the costs estimator tool, the department shall consider:

A. Including a living wage compensation scale for early childhood educators pursuant to the recommendations of the Child Care Task Force established in section 3740-E;

B. Including employee salaries and benefits;

C. Including facility costs;

D. Including costs associated with compliance with statutory and rule requirements, including the child care quality rating system participation under section 3737, subsection 3 and specific costs associated with each step of the rating system and any quality indicators used;

E. Differentiating rates by child age and geographic region; and

F. Using data and research available from existing studies and reports.

3. Accessibility. The estimator tool must be publicly accessible. The department's process for making changes to the tool must be transparent to the public.

Sec. 8. 22 MRSA §3740-C is enacted to read:

§3740-C. Affordable child care implementation plan

The department, in consultation with the Office of Child and Family Services, the Children's Cabinet, established under Title 5, section 19131, subsection 1, and the council shall develop, in accordance with this section, a phased implementation plan with benchmarks for limiting child care costs, by 2030, to no more than 7% of a family's income for a family earning up to 250% of the median family income in the State. The implementation plan must focus on children and families that are the furthest from opportunity, as determined by family income, and must include recommended targeted supports for providers serving children who are underserved, and must emphasize greater racial equity. The implementation plan must include:

1. Phased approach. A phased approach with benchmarks, that gradually increases eligibility based on income until 2030;

2. Copayments. A graduated system of copayments to eliminate the benefit cliff effect as defined in Title 26, section 3801, subsection 1 for families and to limit the amount a family pays for child care;

3. Cost modeling. Payment rates informed by a cost modeling tool that includes providing a living wage to licensed child care providers;

4. Expanded access. Expanded access to a child care subsidy by developing a model to enable the department to provide contracted slots to programs that service a family using the child care subsidy; and

5. Strategy. A strategy, a budget, revenue recommendations and a timeline to achieve the goals of this section.

Sec. 9. 22 MRSA §3740-D is enacted to read:

§3740-D. Early childhood integrated data system

This section governs data collection and reporting relating to an early childhood integrated data system.

~~1. Data collection.~~ The commissioner shall collect data in accordance with this subsection to create an early childhood integrated data system to provide information across agencies to make decisions about programs and policies that promote access, quality and a strong workforce to support children who have not attained 10 years of age. The data collected must include information on the early childhood educator workforce and child care data for child care facilities and family child care providers licensed under section 8301-A, including, but not limited to, workforce demographics, salaries and benefits; enrollment and staffing demographics; and assessments on cost of care and affordability. Race, ethnicity and geographic information must be included in each data set collected.

~~2. Report.~~ No later than December 15, 2023 and biennially thereafter, the commissioner, the Commissioner of Education and the Commissioner of Labor shall jointly submit a report to the joint standing committees of the Legislature having jurisdiction over child care matters that includes a review of the adequacy of the pathways to early childhood education careers and an evaluation of how the collection of data under subsection 1 and coordinated, dedicated funding are supporting the ongoing development of an early care and education system. The joint standing committees that receive the report may report out legislation relating to the report.

Replace with:

1. Data collection. To the extent permissible under state and federal laws governing early childhood programs and privacy and confidentiality, the department shall develop and maintain an early childhood integrated data system to integrate data from early childhood programs across state agencies, including but not limited to, the department, the Department of Education and the Department of Labor. The early childhood integrated data system will inform cross-agency state leaders' decisions about early childhood programs and policies that promote access, quality, and a strong workforce to support children from prenatal to aged 5 years and their families.

2. Report. No later than January 15, 2024, and biennially thereafter, the commissioner shall submit a report to the joint standing committee of the Legislature having jurisdiction over early childhood programs that includes an update on the development and implementation of an early childhood integrated data system.

Sec. 10. 22 MRSA §3740-E is enacted to read:

§3740-E. Child Care Task Force

~~The Child Care Task Force, referred to in this section as "the task force," is established to make recommendations to the department about child care.~~

~~1. Membership.~~ The task force consists of 14 members appointed by the commissioner as follows:

~~A. One nonprofit child care administrator;~~

~~B. One for-profit child care administrator;~~

~~C. Two family child care provider owners;~~

~~D. Two educators working in child care programs;~~

~~E. One representative from a state association representing early childhood education;~~

~~F. One representative from a state association representing diversity, equity and inclusion;~~

~~G. One representative of child care providers;~~

~~H. One representative of the child care quality rating system under section 3737;~~

~~I. Two parents;~~

~~J. One economist; and~~

~~K. One policy analyst or researcher.~~

~~2. Chairs.~~ The first 2 named members of the task force serve as chairs.

~~3. Duties.~~ The task force shall develop policy recommendations and provide the recommendations to the Office of Child and Family Services regarding the following:

~~A. Preserving and increasing racial and ethnic equity and diversity and recognizing the value of cultural competency and multilingualism in the child care workforce;~~

~~B. Providing a salary floor that supports recruitment and retention of a qualified workforce in every early education setting, determined by an analysis of fields that compete to recruit workers with comparable skills, competencies and experience of early childhood educators;~~

~~C. Indexing salaries for child care providers against the salary for a typical preschool lead teacher, differentiating base compensation for varying levels of responsibility within the early childhood workplace, including consideration of center directors, assistant directors, lead teachers, assistant teachers, paraprofessionals, family child care facility owners and family home assistants;~~

~~D. Incentivizing attainment of relevant higher education credentials and credential equivalencies, including early learning certificates, associate degrees, bachelor's degrees, master's degrees and doctoral degrees; training; and years of experience by increasing compensation for each of these;~~

~~E. Considering credential equivalencies, including certified demonstration of competencies developed through apprenticeships, peer learning models, community based training, elective training and other strategies;~~

~~F. Considering a child care provider's years of experience in the field and years of experience at the child care provider's current site;~~

~~G. Differentiating subsidy rates by region; and~~

~~H. Providing additional targeted investments for child care providers serving a high proportion of families receiving a child care subsidy, child care providers demonstrating additional linguistic or cultural competency and child care providers serving populations furthest from opportunity, as defined by family income, including:~~

~~(1) Families experiencing homelessness;~~

~~(2) Children in foster care;~~

~~(3) Underserved geographic communities;~~

~~(4) Underserved ethnic or linguistic communities;~~

~~(5) Underserved age groups, such as infants and toddlers; and~~

~~(6) Populations with specialized health or educational needs.~~

~~4. Staffing.~~ The department shall provide staffing for the task force.

Sec. 11. Department of Health and Human Services to make changes to the child care subsidy program. The Department of Health and Human Services shall:

1. Review department rules, department materials and department publications, including on the department's publicly accessible website, and replace references to "Child Care Subsidy Program" with "Maine Child Care **Scholarship Affordability** Program";

2. Promote the Maine Child Care **Scholarship Affordability** Program, established in the Maine Revised Statutes, Title 22, section 3731-A, statewide with a plan to reach underserved and marginalized populations; and

3. Streamline and simplify the online invoicing and billing systems for child care providers to accurately reflect reimbursements, including quality bumps, payments to child care programs and parent copays, and to isolate payments for the changes to eligibility under the department's child care subsidy rules from state funding.

Sec. 12. Child care subsidy rules. The Department of Health and Human Services shall amend its rules in Child Care Subsidy Program Rules, Chapter 6 to:

1. Increase eligibility for child care subsidies from 85% of the State's median income to 125% of the State's median income;

2. Add eligibility for an employee of a licensed child care center or family child care provider if the applicant otherwise meets the eligibility requirements after the department disregards all of the employee's earned and unearned income and verifies the employee's employment; and

3. Reimburse child care providers that accept child care subsidies based on enrollment and not attendance.

~~**Sec. 13. Head Start eligibility rules.** The Department of Health and Human Services shall amend its rules in Head Start Program, Chapter 5 to increase eligibility for enrollment in Head Start to 185% of the federal poverty level.~~

Sec. 13. Head Start eligibility. A Head Start Program service provider shall provide Head Start program services to a child up to 5 years of age who:

A. Is at risk or whose family is at risk; and

B. Lives in a family with an income at or below 185% of the federal poverty level;

For the purposes of this section, "at risk" means affected by homelessness, substance use disorder, sexual or physical abuse, a mental health condition that affects the emotional, mental or physical health of a child, are or have been involved in child welfare or have a disability.

The Department of Health and Human Services shall specific by contract how the funding is to be apportioned amount Health Start grantees based on need.

Head Start grantees shall report annually to the department on utilization of the funding.

Sec. 14. Report on salary supplement rulemaking. The Department of Health and Human Services shall, no later than **December January** 15, 2023, report to the joint standing committee of the Legislature having jurisdiction over health and human services matters on the status of its rulemaking pursuant to the Maine Revised Statutes, Title 22, section 3737-A.

Sec. 15. Appropriations and allocations. The following appropriations and allocations are made.

HEALTH AND HUMAN SERVICES, DEPARTMENT OF

Child Care Services 0563

Initiative: Provides funding to double the monthly wage supplement for all child care workers.

GENERAL FUND	2023-24	2024-25
All Other	\$15,000,000	\$15,000,000
GENERAL FUND TOTAL	\$15,000,000	\$15,000,000

Child Care Services 0563

Initiative: Provides funding to increase eligibility for child care subsidies from 85% of the State's median income to 125% of the State's median income.

GENERAL FUND	2023-24	2024-25
All Other	\$3,700,000	\$3,700,000
GENERAL FUND TOTAL	\$3,700,000	\$3,700,000

Child Care Services 0563

Initiative: Provides funding to include child care staff in the Maine Child Care Scholarship Affordability Program.

GENERAL FUND	2023-24	2024-25
All Other	\$2,500,000	\$2,500,000
GENERAL FUND TOTAL	\$2,500,000	\$2,500,000

Child Care Services 0563

Initiative: Provides funding for delivery of Head Start services to support families earning up to 185% of the federal poverty level.

GENERAL FUND	2023-24	2024-25
All Other	\$3,600,000	\$3,600,000
GENERAL FUND TOTAL	\$3,600,000	\$3,600,000

Child Care Services 0563

Initiative: Provides funding to make system improvements to the Maine Child Care Scholarship Affordability Program.

GENERAL FUND	2023-24	2024-25
All Other	\$100,000	\$100,000

GENERAL FUND TOTAL	\$100,000	\$100,000
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Child Care Services 0563

Initiative: Provides one-time funding for the Department of Health and Human Services, Office of Child and Family Services, in consultation with the Maine Children's Cabinet and Children's Cabinet Early Childhood Advisory Council, to create ~~an estimator tool~~ a cost estimator model to calculate the cost of quality child care, which enables the State to ~~model~~ estimate actual costs of child care.

GENERAL FUND	2023-24	2024-25
All Other	\$200,000	\$0

GENERAL FUND TOTAL	\$200,000	\$0
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Child Care Services 0563

Initiative: Provides one-time funding for the Department of Health and Human Services, Office of Child and Family Services to develop a phased implementation plan and benchmarks for limiting child care costs for families by 2030.

GENERAL FUND	2023-24	2024-25
All Other	\$100,000	\$0

GENERAL FUND TOTAL	\$100,000	\$0
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Child Care Services 0563

Initiative: Provides one-time funding for the Department of Health and Human Services, Office of Child and Family Services to develop an early childhood integrated data system.

GENERAL FUND	2023-24	2024-25
All Other	\$100,000	\$0

GENERAL FUND TOTAL	\$100,000	\$0
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Child Care Services 0563

Initiative: Provides funding to continue to reimburse child care providers who accept subsidies based on enrollment, not attendance.

GENERAL FUND	2023-24	2024-25
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All Other	\$4,800,000	\$4,800,000
GENERAL FUND TOTAL	\$4,800,000	\$4,800,000

HEALTH AND HUMAN SERVICES, DEPARTMENT OF		
DEPARTMENT TOTALS	2023-24	2024-25
 GENERAL FUND	 \$30,100,000	 \$29,700,000
DEPARTMENT TOTAL - ALL FUNDS	\$30,100,000	\$29,700,000

SUMMARY

Amendment will have a summary to reflect the changes above.