

# ASSEMBLY, No. 4747

## STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED SEPTEMBER 24, 2020

**Sponsored by:**

**Assemblywoman GABRIELA M. MOSQUERA**

**District 4 (Camden and Gloucester)**

**Assemblywoman VALERIE VAINIERI HUTTLE**

**District 37 (Bergen)**

**Assemblywoman YVONNE LOPEZ**

**District 19 (Middlesex)**

**SYNOPSIS**

Requires DHS to develop incentives to encourage private investment in child care deserts.

**CURRENT VERSION OF TEXT**

As introduced.



(Sponsorship Updated As Of: 10/8/2020)

1 AN ACT concerning financial incentives for private investment in  
2 New Jersey's child care deserts and supplementing P.L.2019,  
3 c.426.

4  
5 BE IT ENACTED by the Senate and General Assembly of the State  
6 of New Jersey:

7  
8 1. As used in section 2 of this act:

9 "Child care desert" means a community or a geographic area in  
10 which demand for quality child care services surpasses the available  
11 supply of such services, as determined by the Commissioner of  
12 Human Services.

13 "Child care facility" means a child care provider that is either  
14 licensed or registered with the State Office of Licensing, or has  
15 been evaluated and approved by the Division of Family  
16 Development in the Department of Human Services, to care for one  
17 or more children for fewer than 24 hours of care per day.

18 "Child care subsidy program" means the voucher program,  
19 jointly funded by the State and the federal government, that helps  
20 eligible low-to-moderate income families afford high-quality child  
21 care services.

22  
23 2. a. Notwithstanding the provisions of any other law to the  
24 contrary, the Commissioner of Human Services, in coordination  
25 with the Commissioner of Community Affairs, the Chief Executive  
26 Officer of the New Jersey Economic Development Authority, the  
27 Director of the Division of Taxation in the Department of the  
28 Treasury and the Commissioner of Children and Families, shall  
29 establish a program of financial incentives to encourage private  
30 investment in child care facilities located in the State's identified  
31 child care deserts, provided that the program shall be implemented  
32 no later than 90 days after the effective date of this act.

33 b. The financial incentives to be considered by the  
34 commissioner shall include, but shall not be limited to:

- 35 (1) tax credits;  
36 (2) tax exemptions;  
37 (3) loan guarantees; and,  
38 (4) assistance with recruiting, hiring and training employees.

39 c. The commissioner shall apply for such State plan  
40 amendments or waivers as may be necessary to implement the  
41 program of financial incentives established pursuant to this section  
42 and to continue to secure federal financial participation for  
43 subsidized child care programs for qualified low-to-moderate  
44 income households.

45  
46 3. The Commissioner of Human Services, pursuant to the  
47 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-  
48 1 et seq.), and in consultation with the Commissioner of

1 Community Affairs, the Chief Executive Officer of the New Jersey  
2 Economic Development Authority, the State Treasurer, and the  
3 Commissioner of Children and Families, shall adopt such rules and  
4 regulations as necessary to implement the provisions of this act.

5  
6 4. This act shall take effect take effect immediately.  
7

8  
9 STATEMENT  
10

11 This bill requires the Commissioner of Human Services to  
12 develop financial incentives, to be implemented within 90 days of  
13 the effective date of this bill, to encourage private investment in  
14 child care facilities located in New Jersey's identified child care  
15 deserts. The bill defines a "child care desert" as a community or  
16 geographic area in which the demand for quality child care services  
17 surpasses the available supply of such services, as determined by  
18 the Commissioner of Human Services.

19 The bill directs the Commissioner of Human Services to develop  
20 the program of financial incentives in conjunction with the  
21 Commissioner of Community Affairs, the Chief Executive Officer  
22 of the New Jersey Economic Development Authority, the Director  
23 of the Division of Taxation in the Department of the Treasury, and  
24 the Commissioner of Children and Families. Moreover, the  
25 commissioner is required to consider a variety of potential  
26 incentives to encourage private investment in child care facilities,  
27 including, but not limited to: tax credits, tax exemptions, loan  
28 guarantees, and assistance with recruiting, hiring and training new  
29 employees.

30 The Commissioner of Human Services is required to apply for  
31 any State plan amendments or federal waivers needed to ensure  
32 continued federal financial participation for the State's subsidized  
33 child care program. The provisions of this bill will take effect  
34 immediately.

35 It is the intent of the bill's sponsors to employ financial  
36 incentives to increase the availability of licensed child care  
37 facilities in the low-to-moderate income communities that largely  
38 constitute New Jersey's child care deserts. Such a program could  
39 build upon or be incorporated into existing programs, administered  
40 through the New Jersey Economic Development Authority and the  
41 Department of Community Affairs, to spur private investment in the  
42 State's food deserts and Urban Enterprise Zones.

43 According to the Advocates for Children of New Jersey (ACNJ),  
44 approximately 40 percent of New Jersey municipalities are  
45 classified as child care deserts; of these, the majority are urban or  
46 rural communities. The lack of quality child care options in the  
47 State's child care deserts has become particularly acute during the  
48 COVID-19 pandemic, as many child care providers face economic

1 hardship due to reduced student enrollment and higher operating  
2 costs associated with enhanced cleaning protocols and mandated  
3 personal protective equipment for facility staff. If New Jersey's  
4 economy is to re-open after the COVID-19 pandemic, the State's  
5 working families, many of whom are essential workers, need access  
6 to affordable, high-quality child care options in their communities.