

ASSEMBLY BUDGET COMMITTEE

STATEMENT TO

ASSEMBLY, No. 5863

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 22, 2021

The Assembly Budget Committee reports favorably Assembly Bill No. 5863, with committee amendments.

As introduced, this bill establishes the Child Care Revitalization Fund, a dedicated, non-lapsing fund to be administered by the Department of Children and Families for the purpose of providing financial support to the State's licensed child care providers. The bill authorizes the Commissioner of Children and Families, in consultation with the Commissioner of Human Services and the Chief Executive of the Economic Development Authority, to develop processes by which licensed child care providers may submit, through an online portal, applications for assistance through the fund, and by which the allocation of resources from the fund may be prioritized. Authorized allocations from the fund are to be disbursed to licensed child care providers within 21 days of the department's receipt of a qualifying application, as submitted by a provider through the online portal established pursuant to this act, prior to September 1, 2021.

COMMITTEE AMENDMENTS:

The committee amended the bill to appropriate to the Division of Disaster Recovery and Mitigation in the Department of Community Affairs \$15,500,000 in federal funds allocated to the State from the federal "Coronavirus State Fiscal Recovery Fund" established pursuant to the federal "American Rescue Plan Act", Pub.L.117-2, for the Department of Children and Families to create workforce development supports and conduct a child care landscape study. Not more than 2.5 percent of these funds are to be utilized by the Department of Children and Families for organizational, administrative and other work and services, including salaries, equipment, services, and materials necessary to administer the activities authorized by this subsection. The amendments provide that the Department of Children and Families will enter into a memorandum of understanding or grant agreement, as applicable, with the division to effectuate the purposes of this subsection, to establish appropriate administrative costs, and to ensure compliance with federal rules and guidance, including with respect to the "American Rescue Plan Act," Pub.L.117-2.

The amendments provide that the division will be the State's grant manager for federal "Coronavirus State Fiscal Recovery Funds," and is responsible for ensuring compliance with all applicable federal rules and regulations for this act, including, but not limited to, submitting all required reporting and documentation to the United States Department of the Treasury in accordance with federal rules, including with respect to the "American Rescue Plan Act," Pub.L.117-2. As the State's grant manager for federal "Coronavirus State Fiscal Recovery Funds," the division will require funds for organizational, administrative, and other work and services, including salaries, services, equipment, and materials necessary to administer oversee the applicable provisions of the bill.

The amendments provide that notwithstanding the provisions of section 1 of the bill to the contrary, the division may transfer the uncommitted balance of any funds made available pursuant to this section for any use authorized under the bill. The division will submit notice to the Joint Budget Oversight Committee no less than five calendar days before the date of the transfer. The notice will indicate the amount of the transferred funds and the purpose for which the funds are transferred.

The amendments appropriate to the Division of Disaster Recovery and Mitigation in the Department of Community Affairs \$54,500,000 in federal funds allocated to the State from the federal "Coronavirus State Fiscal Recovery Fund" established pursuant to the federal "American Rescue Plan Act", Pub.L.117-2, to be made available to the New Jersey Economic Development Authority for the purpose of providing technical assistance to licensed child care providers, registered family child care homes and grants to child care providers for facilities improvements which grants shall be allocated, on a rolling basis, to licensed child care providers, registered family child care homes, and child care providers. Not more than 2.5 percent of these funds are to be utilized by the New Jersey Economic Development Authority for organizational, administrative and other work and services, including salaries, equipment, services, and materials necessary to administer the activities authorized by this subsection. The New Jersey Economic Development Authority will enter into a memorandum of understanding or grant agreement, as applicable, with the division to effectuate the purposes of this subsection, to establish appropriate administrative costs, and to ensure compliance with federal rules and guidance, including with respect to the "American Rescue Plan Act," Pub.L.117-2.

The amendments provide that the division will be the State's grant manager for federal "Coronavirus State Fiscal Recovery Funds," and is responsible for ensuring compliance with all applicable federal rules and regulations for this act, including, but not limited to, submitting all required reporting and documentation to the United States Department of the Treasury in accordance with federal rules, including with

respect to the “American Rescue Plan Act,” Pub.L.117-2. As the State’s grant manager for federal “Coronavirus State Fiscal Recovery Funds,” the division will require funds for organizational, administrative, and other work and services, including salaries, services, equipment, and materials necessary to administer oversee the applicable provisions of the bill.

The amendments provide that notwithstanding the provisions of section 2 to the contrary, the division may transfer the uncommitted balance of any funds made available pursuant to this section for any use authorized under this bill. The division will submit notice to the Joint Budget Oversight Committee no less than five calendar days before the date of the transfer. The notice will indicate the amount of the transferred funds and the purpose for which the funds are transferred.

The amendments appropriate to the Division of Disaster Recovery and Mitigation in the Department of Community Affairs \$30,000,000 in federal funds allocated to the State from the federal “Coronavirus State Fiscal Recovery Fund” established pursuant to the federal “American Rescue Plan Act”, Pub.L.117-2, to be made available to the Department of Human Services for the purpose of providing grants to the licensed child care providers or employees of licensed child care providers, which grants will be allocated, on a rolling basis, to licensed child care providers or employees of licensed child care providers within 45 days of the department’s receipt of a complete qualifying application. Not more than 2.5 percent of the funds are to be utilized by the Department of Human Services for organizational, administrative and other work and services, including salaries, equipment, services, and materials necessary to administer the activities authorized by this subsection. The Department of Human Services will enter into a memorandum of understanding or grant agreement, as applicable, with the division to effectuate the purposes of this act subsection, to establish appropriate administrative costs, and to ensure compliance with federal rules and guidance, including with respect to the “American Rescue Plan Act,” Pub.L.117-2.

The amendments provide that the division will be the State’s grant manager for federal “Coronavirus State Fiscal Recovery Funds,” and is responsible for ensuring compliance with all applicable federal rules and regulations for this section, including, but not limited to, submitting all required reporting and documentation to the United States Department of the Treasury in accordance with federal rules, including with respect to the “American Rescue Plan Act,” Pub.L.117-2. As the State’s grant manager for federal “Coronavirus State Fiscal Recovery Funds,” the division will require funds for organizational, administrative, and other work and services, including salaries, services, equipment, and materials necessary to administer oversee the applicable provisions of this act.

The amendments provide that notwithstanding the provisions of section 3 to the contrary, the division may transfer the uncommitted balance of any funds made available pursuant to this section for any use authorized under this act. The division will submit notice to the Joint Budget Oversight Committee no less than five calendar days before the date of the transfer. The notice will indicate the amount of the transferred funds and the purpose for which the funds are transferred.

FISCAL IMPACT:

Fiscal information for this bill is currently unavailable.