[First Reprint] SENATE, No. 3990

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED JUNE 21, 2021

Sponsored by: Senator SHIRLEY K. TURNER District 15 (Hunterdon and Mercer) Senator M. TERESA RUIZ District 29 (Essex)

SYNOPSIS

Establishes child care revitalization fund in Department of Community Affairs; appropriates \$100,000,000

CURRENT VERSION OF TEXT

As reported by the Senate Budget and Appropriations Committee on June 21, 2021, with amendments.



(Sponsorship Updated As Of: 6/24/2021)

AN ACT establishing a child care revitalization fund, appropriating 1 2 \$100,000,000, and supplementing Title 30 of the New Jersey 3 Statutes. 4 5 **BE IT ENACTED** by the Senate and General Assembly of the State 6 of New Jersey: 7 8 ¹[1. The Legislature finds and declares that: 9 a. Working mothers in New Jersey and across the nation have 10 been disparately affected by child care and school closures during 11 the coronavirus 2019 (COVID-19) pandemic. b. According to the United States Census Bureau, 1.6 million 12 13 fewer women with school-aged children were actively working in 14 January 2021, when compared with January 2020. 15 c. A Kaiser family Foundation survey conducted in late 2020 16 found that 30 percent of working mothers interviewed had taken 17 time off from work due to child care or school closures. 18 d. Without access to affordable, high-quality child care, New 19 Jersey's working mothers will continue to face the difficult choice 20 between caring for their young children and their careers. 21 Fully-operating schools and licensed child care providers are e. 22 critical to the New Jersey's reopening plan, as well as the State's 23 economic recovery from the COVID-19 pandemic. 24 Too many licensed child care providers have been unable to f. 25 re-open following pandemic-related closures, due to high operating costs and reduced capacity required to slow the spread of COVID-26 27 19. 28 g. It is in the public interest for the Legislature to create a fund 29 to address the critical child care and economic issues faced by the 30 State's working families and licensed child care providers.]¹ 31 ¹[2. a. There is created within the Department of Children and 32 33 Families a dedicated, non-lapsing fund to be known as the Child 34 Care Revitalization Fund for the purpose of supporting child care 35 providers, licensed pursuant to P.L.1983, c.492 (C.30:5B-1 et seq.), who were severely impacted by high operating costs and reduced 36 capacity required to mitigate the health impact of the coronavirus 37 38 2019 (COVID-19) pandemic. 39 b. The Commissioner of the Department of Children and Families, in consultation with the Commissioner of Human Services 40 and the Chief Executive of the Economic Development Authority, 41 42 shall establish processes by which licensed child care providers may 43 submit, through an online portal, applications for assistance through 44 the fund, and by which the allocation of resources from the fund 45 may be prioritized.

EXPLANATION – Matter enclosed in **bold-faced brackets** [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined <u>thus</u> is new matter. Matter enclosed in superscript numerals has been adopted as follows: ¹Senate SBA committee amendments adopted June 21, 2021.

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c. Authorized allocations from the fund are to be disbursed to

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licensed child care providers within 21 days of the department's 3 receipt of a qualifying application, as submitted by a provider 4 through the online portal established pursuant to this act, prior to 5 September 1, 2021. 6 d. The commissioner, pursuant to the "Administrative 7 Procedure Act" P.L.1968, c.410 (C.52:14B-1 et seq.), shall adopt 8 such rules and regulations as necessary to implement the provisions 9 of this act.]¹ 10 11 ¹[3. There is appropriated \$100,000,000 from the General Fund 12 to the Department of Children and Families to effectuate the 13 purposes of this act. \mathbf{J}^1 14 15 ¹<u>1. a. There is appropriated to the Division of Disaster</u> 16 Recovery and Mitigation in the Department of Community Affairs 17 \$15,500,000 in federal funds allocated to the State from the federal "Coronavirus State Fiscal Recovery Fund" established pursuant to 18 the federal "American Rescue Plan Act", Pub.L.117-2, and such 19 20 amounts shall be made available to the Department of Children and 21 Families to create workforce development supports and conduct a 22 child care landscape study, and of such amounts, not more than 2.5 23 percent, subject to the division's ultimate review and approval, shall 24 be utilized by the Department of Children and Families for 25 organizational, administrative and other work and services, 26 including salaries, equipment, services, and materials necessary to 27 administer the activities authorized by this subsection. The Department of Children and Families shall enter into a 28 29 memorandum of understanding or grant agreement, as applicable, 30 with the division to effectuate the purposes of this subsection, to 31 establish appropriate administrative costs, and to ensure compliance 32 with federal rules and guidance, including with respect to the 33 "American Rescue Plan Act," Pub.L.117-2. 34 b. The division shall be the State's grant manager for federal 35 "Coronavirus State Fiscal Recovery Funds," and is responsible for ensuring compliance with all applicable federal rules and 36 37 regulations for this act, including, but not limited to, submitting all 38 required reporting and documentation to the United States 39 Department of the Treasury in accordance with federal rules, 40 including with respect to the "American Rescue Plan Act," 41 Pub.L.117-2. As the State's grant manager for federal "Coronavirus 42 State Fiscal Recovery Funds," the division shall require funds for 43 organizational, administrative, and other work and services, 44 including salaries, services, equipment, and materials necessary to 45 administer the applicable provisions of this act. 46 c. Notwithstanding the provisions of subsection a. of this 47 section to the contrary, the division may transfer the uncommitted 48 balance of any funds made available pursuant to this section for any

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1 use authorized under this act. The division shall submit notice to 2 the Joint Budget Oversight Committee no less than five calendar 3 days before the date of the transfer. The notice shall indicate the amount of the transferred funds and the purpose for which the funds 4 5 are transferred.¹ 6 7 There is appropriated to the Division of Disaster ¹2. a. 8 Recovery and Mitigation in the Department of Community Affairs 9 \$54,500,000 in federal funds allocated to the State from the federal 10 "Coronavirus State Fiscal Recovery Fund" established pursuant to 11 the federal "American Rescue Plan Act", Pub.L.117-2, and such 12 amounts shall be made available to the New Jersey Economic 13 Development Authority for the purpose of providing technical 14 assistance to licensed child care providers, registered family child 15 care homes and grants to child care providers for facilities 16 improvements which grants shall be allocated, on a rolling basis, to 17 licensed child care providers, registered family child care homes, 18 and child care providers, and of such amounts, not more than 2.5 19 percent, subject to the division's ultimate review and approval, shall 20 be utilized by the New Jersey Economic Development Authority for 21 organizational, administrative and other work and services, 22 including salaries, equipment, services, and materials necessary to 23 administer the activities authorized by this subsection. The New 24 Jersey Economic Development Authority shall enter into a 25 memorandum of understanding or grant agreement, as applicable, 26 with the division to effectuate the purposes of this subsection, to 27 establish appropriate administrative costs, and to ensure compliance 28 with federal rules and guidance, including with respect to the 29 "American Rescue Plan Act," Pub.L.117-2. 30 b. The division shall be the State's grant manager for federal 31 "Coronavirus State Fiscal Recovery Funds," and is responsible for 32 ensuring compliance with all applicable federal rules and 33 regulations for this act, including, but not limited to, submitting all 34 required reporting and documentation to the United States 35 Department of the Treasury in accordance with federal rules, 36 including with respect to the "American Rescue Plan Act," 37 Pub.L.117-2. As the State's grant manager for federal "Coronavirus State Fiscal Recovery Funds," the division shall require funds for 38 39 organizational, administrative, and other work and services, 40 including salaries, services, equipment, and materials necessary to 41 administer the applicable provisions of this act. 42 c. Notwithstanding the provisions of subsection a. of this 43 section to the contrary, the division may transfer the uncommitted 44 balance of any funds made available pursuant to this section for any use authorized under this. The division shall submit notice to the 45 46 Joint Budget Oversight Committee no less than five calendar days 47 before the date of the transfer. The notice shall indicate the amount

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of the transferred funds and the purpose for which the funds are
transferred.¹

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4 ¹<u>3.</u> a. There is appropriated to the Division of Disaster 5 Recovery and Mitigation in the Department of Community Affairs 6 \$30,000,000 in federal funds allocated to the State from the federal 7 "Coronavirus State Fiscal Recovery Fund" established pursuant to 8 the federal "American Rescue Plan Act", Pub.L.117-2, and such 9 amounts shall be made available to the Department of Human 10 Services for the purpose of providing grants to the licensed child 11 care providers or employees of licensed child care providers, which 12 grants shall be allocated, on a rolling basis, to licensed child care 13 providers or employees of licensed child care providers within 45 14 days of the department's receipt of a complete qualifying 15 application, and of such amounts, not more than 2.5 percent, subject 16 to the division's ultimate review and approval, shall be utilized by the Department of Human Services for organizational, 17 18 administrative and other work and services, including salaries, equipment, services, and materials necessary to administer the 19 20 activities authorized by this subsection. The Department of Human 21 Services shall enter into a memorandum of understanding or grant 22 agreement, as applicable, with the division to effectuate the 23 purposes of this act subsection, to establish appropriate 24 administrative costs, and to ensure compliance with federal rules and guidance, including with respect to the "American Rescue Plan 25 26 Act," Pub.L.117-2. 27 b. The division shall be the State's grant manager for federal 28 "Coronavirus State Fiscal Recovery Funds," and is responsible for 29 ensuring compliance with all applicable federal rules and 30 regulations for this section, including, but not limited to, submitting 31 all required reporting and documentation to the United States 32 Department of the Treasury in accordance with federal rules, 33 including with respect to the "American Rescue Plan Act," 34 Pub.L.117-2. As the State's grant manager for federal "Coronavirus 35 State Fiscal Recovery Funds," the division shall require funds for organizational, administrative, and other work and services, 36 37 including salaries, services, equipment, and materials necessary to 38 administer the applicable provisions of this act. 39 c. Notwithstanding the provisions of subsection a. of this 40 section to the contrary, the division may transfer the uncommitted 41 balance of any funds made available pursuant to this section for any use authorized under this act. The division shall submit notice to 42 43 the Joint Budget Oversight Committee no less than five calendar 44 days before the date of the transfer. The notice shall indicate the 45 amount of the transferred funds and the purpose for which the funds 46 are transferred.¹ 47

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4. This act shall take effect immediately.