

# ASSEMBLY WOMEN AND CHILDREN COMMITTEE

## STATEMENT TO

### **ASSEMBLY, No. 4746**

with committee amendments

# STATE OF NEW JERSEY

DATED: JUNE 9, 2021

The Assembly Women and Children Committee reports favorably and with committee amendments Assembly Bill 4746.

As amended by the committee, this bill requires that subsidy payments to licensed child care providers be based on enrollment of students who are eligible for child care services, rather than on attendance. Under the bill, “child care services” means those services provided to eligible children, as certified by the Division of Family Development within the Department of Human Services, for which the division receives and administers State and federal funding to provide subsidy payments to licensed child care providers.

Under the bill, in addition to any other criteria set forth by the Division of Family Development in the Department of Human Services to determine a provider’s subsidy payment for child care services, the division is required to determine the subsidy payment for child care services issued to a licensed child care provider based on the number of children enrolled with the provider who are eligible for child care services. As amended, the bill stipulates that at no time is a subsidy payment for child care services issued to a licensed child care provider to be based on attendance of eligible children for child care services. Currently, the division determines subsidy payments to all providers based on the attendance, age, and disability-status of eligible children.

The bill additionally stipulates that any licensed child care provider for which subsidy payments are based on enrollment of children who are eligible for child care services are to comply at all times with requirements regarding the ratio of staff to enrolled children, as established by the Office of Licensing in the Department of Children and Families. Such licensed child care providers are specifically prohibited from revising this staff to child ratio in response to fluctuations in attendance by subsidy-eligible students.

The provisions of the bill require that the division, within 24 months following the effective date of the legislation, submit a written report to the Governor and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), to the Legislature comparing the costs of basing provider subsidy payments on the number of children eligible for child care services enrolled with the provider versus basing such

subsidy payments on the attendance of children eligible for child care services.

The bill also directs the Commissioner of Human Services to apply for such State plan amendments or waivers as may be necessary to implement the provisions of this section and to continue to secure any available federal financial participation for the applicable child care programs.

The provisions of the bill are to take effect immediately, and shall expire two years after the earlier of federal approval of the State's waiver or State plan amendment application, or departmental implementation of the revised child care subsidy rates for qualified providers.

#### COMMITTEE AMENDMENTS

The committee amended the bill to base every licensed child care provider's subsidy payment on the number of children enrolled with the provider who are eligible for child care services instead of determining subsidy payments based on whether 60 percent or more of the provider's enrollment is eligible for child care services, as originally provided in the bill.

The committee amendments require that those licensed child care providers which qualify for subsidy payments based on the number of enrolled children who are eligible for child care services comply at all times with requirements regarding the ratio of staff to enrolled children, as established by the Office of Licensing in the Department of Children and Families. Moreover, the bill specifically prohibits these providers from revising this staff-to-child ratio in response to fluctuations in attendance by subsidy-eligible students.

The committee amendments require the division, within 24 months following the effective date of the bill, to submit a written report to the Governor and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), to the Legislature comparing the costs of basing child care provider subsidy payments on the number of children eligible for child care services enrolled with the provider and basing such subsidy payments on the attendance of children eligible for child care services.

The committee amended the bill to require that the provisions established therein expire two years after the earlier of federal approval of the State's waiver or State plan amendment application, or the department's implementation of the revised child care subsidy rates for qualified providers.