

2017 -- S 0775

LC002466

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2017

A N A C T

RELATING TO HUMAN SERVICES - CHILD CARE - STATE SUBSIDIES

Introduced By: Senators Crowley, Goldin, Miller, Metts, and Quezada

Date Introduced: April 12, 2017

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 40-6.2-1.1 of the General Laws in Chapter 40-6.2 entitled "Child
2 Care-State Subsidies" is hereby amended to read as follows:

3 **40-6.2-1.1. Rates established.**

4 (a) ~~Through June 30, 2015, subject to the payment limitations in section (b), the~~
5 ~~maximum reimbursement rates to be paid by the departments of human services and children,~~
6 ~~youth and families for licensed child care centers and certified family child care providers shall~~
7 ~~be based on the following schedule of the 75th percentile of the 2002 weekly market rates~~
8 ~~adjusted for the average of the 75th percentile of the 2002 and the 2004 weekly market rates:~~

9	LICENSED	75th
10	CHILD CARE	PERCENTILE
11	CENTERS	OF WEEKLY
12		MARKET RATE
13	INFANT	\$182.00
14	PRESCHOOL	\$150.00
15	SCHOOL AGE	\$135.00
16	CERTIFIED	75th
17	FAMILY	PERCENTILE
18	CHILD CARE	OF WEEKLY
19	PROVIDERS	MARKET RATE

1	INFANT	\$150.00
2	PRESCHOOL	\$150.00
3	SCHOOL AGE	\$135.00

4 ~~Effective July 1, 2015, subject to the payment limitations in subsection (b), the maximum~~
5 ~~reimbursement rates to be paid by the departments of human services and children, youth and~~
6 ~~families for licensed child care centers and certified family child care providers shall be based on~~
7 ~~the above schedule of the 75th percentile of the 2002 weekly market rates adjusted for the~~
8 ~~average of the 75th percentile of the 2002 and the 2004 weekly market rates. These rates shall be~~
9 ~~increased by ten dollars (\$10.00) per week for infant/toddler care provided by certified family-~~
10 ~~child care providers and license exempt providers and then the rates for all providers for all age~~
11 ~~groups shall be increased by three percent (3%).~~

12 ~~(b) The department shall pay child care providers based on the lesser of the applicable~~
13 ~~rate specified in subsection (a), or the lowest rate actually charged by the provider to any of its~~
14 ~~public or private child care customers with respect to each of the rate categories, infant, preschool~~
15 ~~and school age.~~

16 In order to support equal access to high-quality child care for children enrolled in the
17 child care assistance program and to recognize that higher quality child care programs need
18 additional resources to attract and retain effective and qualified staff to meet quality benchmarks
19 in BrightStars, the state's quality rating and improvement system, the following tiered-rate
20 structure is hereby established effective July 1, 2017. The reimbursement rates to be paid by the
21 department of human services and children, youth and families to licensed child care centers and
22 family child care homes shall incentivize and support quality child care with rates for high-quality
23 programs meeting national recommendations (at or above the 75th percentile of the 2015 Rhode
24 Island child care market rate survey). Rates shall be revised when new market rate survey data is
25 available.

26 LICENSED CHILD CARE CENTERS

	<u>BrightStars Rating</u>				
	<u>1 star</u>	<u>2 stars</u>	<u>3 stars</u>	<u>4 stars</u>	<u>5 stars</u>
29 <u>Infant-Toddler</u>	<u>\$203.32</u>	<u>\$213.00</u>	<u>\$232.37</u>	<u>\$251.73</u>	<u>\$271.10</u>
30 <u>Preschool</u>	<u>\$169.80</u>	<u>\$177.88</u>	<u>\$194.05</u>	<u>\$210.22</u>	<u>\$226.39</u>
31 <u>School-age</u>	<u>\$153.57</u>	<u>\$160.89</u>	<u>\$175.51</u>	<u>\$190.14</u>	<u>\$204.76</u>

32 LICENSED FAMILY CHILD CARE HOMES

	<u>BrightStars Rating</u>				
	<u>1 star</u>	<u>2 stars</u>	<u>3 stars</u>	<u>4 stars</u>	<u>5 stars</u>
34					

1	<u>Infant-Toddler</u>	<u>\$178.45</u>	<u>\$186.95</u>	<u>\$203.94</u>	<u>\$220.94</u>	<u>\$237.93</u>
2	<u>Preschool</u>	<u>\$162.23</u>	<u>\$177.88</u>	<u>\$194.05</u>	<u>\$210.22</u>	<u>\$226.39</u>
3	<u>School-age</u>	<u>\$153.57</u>	<u>\$160.89</u>	<u>\$175.51</u>	<u>\$190.14</u>	<u>\$204.76</u>

4 ~~(e)(b)~~ (b) ~~By June 30, 2004 and biennially through June 30, 2014, the~~ The department of
5 labor and training shall conduct an independent survey or certify an independent survey of the
6 then current weekly market rates for child care in Rhode Island triennially and shall forward such
7 weekly market rate survey to the department of human services. The next survey shall be
8 conducted by ~~June 30, 2016~~ June 30, 2018, and triennially thereafter. The departments of human
9 services and labor and training will jointly determine the survey criteria including, but not limited
10 to, rate categories and sub-categories.

11 ~~(c)~~ (c) In order to expand the accessibility and availability of quality child care, the
12 department of human services is authorized to establish by regulation alternative or incentive
13 rates of reimbursement for quality enhancements, innovative or specialized child care and
14 alternative methodologies of child care delivery, including non-traditional delivery systems and
15 collaborations.

16 ~~(d)~~ (d) On or before January 1, 2007, all child care providers have the option to be paid
17 every two (2) weeks and have the option of automatic direct deposit and/or electronic funds
18 transfer of reimbursement payments.

19 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

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RELATING TO HUMAN SERVICES - CHILD CARE - STATE SUBSIDIES

- 1 This act would establish a tiered-rate structure for the child care assistance program, with
- 2 higher rates paid to licensed child care centers and family child care homes that have achieved
- 3 higher quality ratings in "BrightStars", the state's quality rating and improvement system.
- 4 This act would take effect upon passage.

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