

2023 -- H 6122

LC002112

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2023

A N A C T

RELATING TO HUMAN SERVICES -- RHODE ISLAND CHILD CARE FOR ALL ACT

Introduced By: Representatives Cruz, Boylan, Cotter, Spears, Kislak, Kazarian,
Speakman, Potter, Stewart, and J. Lombardi

Date Introduced: March 03, 2023

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Title 40 of the General Laws entitled "HUMAN SERVICES" is hereby
2 amended by adding thereto the following chapter:

3 CHAPTER 6.7

4 RHODE ISLAND CHILD CARE FOR ALL ACT

5 **40-6.7-1. Legislative findings.**

6 The general assembly finds that:

7 (1) High-quality and affordable child care is critical to supporting children and families
8 throughout Rhode Island and ensuring a functioning labor market and economy in the state.

9 (2) Providing universal access to affordable, quality child care will address staffing
10 shortages across the economy, can reduce state government expenditures in other areas such as
11 Medicaid and food assistance, and will increase tax revenue as parents of young children are able
12 to stay in the workforce and earn incomes.

13 (3) Child care in the United States is currently a broken market, with the cost of care being
14 both too expensive to afford for many families who need it, and the wages of child care educators
15 being too low to attract and retain skilled staff.

16 (4) To create a child care system that supports our Rhode Island families, workers, and
17 economy we must recognize that child care is a public good akin to kindergarten through grade
18 twelve (K-12) education. This means assisting families to be able to choose sustainable, quality
19 child care for their children and supporting child care providers, centers, family child care homes,

1 and child care educators to be able to provide high-quality care.

2 (5) According to a September 2021 report from the U.S. Department of the Treasury, one
3 out of every one hundred ten (110) U.S. workers and one out of every fifty-five (55) working
4 women works in the early education and child care sector.

5 (6) The U.S. Department of Health and Human Services has established clear guidelines
6 for establishing whether child care is affordable, which state that families should pay no more than
7 seven percent (7%) of their family income towards child care. Using that standard, most families
8 with young children in Rhode Island require assistance to afford child care.

9 **40-6.7-2. The office of early childhood development and learning.**

10 (a) By April 1, 2024, the executive branch shall produce a report outlining the costs and
11 staffing requirements to create an office of early childhood development and learning (the “office”)
12 and describing the transition plan for how responsibilities previously managed by other
13 departments shall be transferred to the office.

14 (b) Effective June 30, 2025, the office of early childhood development and learning is
15 established within the executive branch of state government, to serve as the principal agency for
16 managing a statewide early learning system. The office of early childhood development and
17 learning shall have the following powers and duties in accordance with the following schedule:

18 (1) On or about June 30, 2025, to assume functions related to early childcare set forth in
19 chapter 12 of title 42, to be transferred from the department of human services, including the
20 administration of the child care assistance program, the quality rating and improvement system for
21 child care and early learning programs, and child care licensing;

22 (2) The Rhode Island head start collaboration office shall be transferred to the office of
23 early childhood development and learning.

24 (3) On or about June 30, 2025, to assume functions related to pre-kindergarten set forth in
25 chapter 87 of title 16, to be transferred from the department of education;

26 (4) On or before December 1, 2025, to provide the general assembly a comprehensive study
27 of the existing early childhood education infrastructure, a review of roles, functions, and programs
28 of the office of early childhood development and learning, and a workforce training plan in
29 collaboration with the department of labor and training and the department of education; and

30 (5) To be responsible for the development, sustainability and continuous improvement of
31 a mixed-delivery system of high-quality, accessible and affordable child care for children from
32 infancy through age twelve (12) as well as free, high-quality, accessible pre-kindergarten for
33 children ages three (3) and four (4).

34 (c) The department of administration may furnish the office of early childhood

1 development and learning with suitable offices and telephone service in the state house, state office
2 building, or some other convenient location, for the transaction of its business.

3 **40-6.7-3. Direct support to child care providers program.**

4 (a) The office of early childhood development and learning shall establish programs of
5 annual funding to early education and care providers to meet the full range of costs of high quality
6 early education and care to the extent that fees, whether subsidized or unsubsidized, charged for
7 the children receiving early education and care services do not meet these costs. This funding shall
8 be used to address the following priorities:

9 (1) Expanding affordability of early education and care to families by reducing the
10 percentage of early education and care costs that must be covered by fees charged for children
11 receiving early education and care, whether subsidized or unsubsidized.

12 (2) Enabling early education and care providers to provide high-quality early education and
13 care and to comply fully with all applicable health, safety, educational, quality-assurance, and other
14 requirements imposed by the office consistent with this chapter to ensure the well-being and
15 promote healthy development and learning of children.

16 (3) Ensuring all early education and care providers are able to attract and retain qualified
17 and skilled educators for children from birth through kindergarten entry with compensation that is
18 competitive with similarly qualified kindergarten through grade twelve (K-12) staff by providing
19 resources through wage supplements or other strategies. Early education and care providers
20 receiving funding must ensure that the compensation of the educators they employ is in line with
21 the benchmarks set by the early educator and care provider compensation task force outlined below
22 in this section.

23 (4) Maintaining and increasing the supply of early education and care spaces in ways that
24 address shortages in available spaces related to: location within the state, child age range, adequate
25 staffing and supports to achieve best practices for serving children with developmental delays and
26 disabilities, ability to promote the development of children who are multilingual learners, and
27 ability to provide care during nonstandard hours.

28 (5) Enabling early education and care providers to address emergency situations, during
29 which the cost of care significantly increases due to additional federal, state, or office requirements,
30 or the loss of fees due to absence or unenrollment jeopardizes early education and care providers'
31 ability to retain their facilities and staff.

32 (6) Enabling early education and care providers to maintain or increase capacity to provide
33 direct services and to partner with early intervention programs and local school districts to ensure
34 children from birth through kindergarten entry who have developmental delays and disabilities

1 have access to high-quality services required under the federal Individuals with Disabilities
2 Education Act. Additional services that early care and education providers shall be supported to
3 provide enrolled children and their families, can also include social work services, health and
4 mental health services, and other supports for families, parents, and caregivers.

5 (b) The office of early childhood development and learning shall conduct regular cost of
6 care surveys by which the rates paid to early education and care providers shall be determined. The
7 rate determination shall be based in part on the recommendations of the early educator and care
8 provider compensation task force, outlined below in this section, to allow providers to meet the
9 compensation benchmarks outlined by the task force.

10 (c) The office of early childhood development and learning shall require early education
11 and care providers to meet conditions for receiving funding under this section, including:

12 (1) Provide data that the office requires, as needed to carry out the office's assessment and
13 reporting requirements under this chapter.

14 (2) Have a current Rhode Island child care license.

15 (3) Comply with all requirements of the funding and ensure funds are used solely for
16 eligible activities and costs that advance affordability, access, equity, and quality.

17 (d) The office of early childhood development and learning shall determine the amount of
18 funding to be paid under this section to an early education and care provider and shall take into
19 account the following factors:

20 (1) The provider's existing enrollment of children, broken down by age range.

21 (2) Economies of scale, such that smaller providers may have higher costs in some areas
22 necessitating proportionately higher funding.

23 (3) Any variation in costs to the provider due to location within the state.

24 (e) The office of early childhood development and learning shall establish a program of
25 annual grants to early education and child care providers who may apply for the grants to assist
26 with special categories of care that present particular challenges to providing at a rate that is
27 affordable to families. The types of care eligible for these grants may include infant care, care for
28 children with physical, intellectual, or developmental disabilities, and non-traditional hour care.

29 (f) The office of early childhood development and learning shall accord to the early
30 education and care providers to which the office allocates funding under this section a presumption
31 of annual renewal if the provider has complied with all requirements and the appropriations for this
32 section are not reduced such that renewal of all providers is not possible.

33 (g) In the event of insufficient funding for all eligible early education and care providers,
34 the office of early childhood development and learning shall select providers based on the following

1 criteria:

2 (1) The number of children with physical, developmental, or intellectual disabilities,
3 children who are homeless, and children who are at risk for involvement with or in the care of the
4 department of children, youth and families (“DCYF”) currently enrolled with the provider.

5 (2) Whether the provider, if funded, would have the capacity and expertise to serve children
6 with developmental delays or disabilities, or children who are multilingual learners or whose
7 parents or caregivers have limited English proficiency.

8 (3) Whether the provider, if funded, would have the capacity and expertise to serve children
9 and families with physical, developmental, or intellectual disabilities as defined by statute, children
10 who are homeless, and children who are at risk for involvement with or in the care of DCYF.

11 (4) Whether the provider, if funded, would increase services in locations within the state
12 that have shortages of spaces for particular age groups, such as infants and toddlers, or that have
13 overall shortages of early education and care spaces or unmet needs for nonstandard hours of care;
14 and

15 (5) Whether the provider, if funded, would implement a proposed quality improvement
16 plan or other innovations that increase the quality of its early education and care services.

17 (h) The office of early childhood development and learning shall adopt regulations
18 implementing the provisions of this section, after providing the opportunity for public comment, to
19 be accepted through both testimony at public hearings and written comments, and after
20 consideration of these comments.

21 **40-6.7-4. Child care assistance - family income definitions.**

22 (a) For purposes of this section, "income" for families receiving cash assistance under §
23 40-5.2-11 means gross, earned income and unearned income, subject to the income exclusions in
24 §§ 40-5.2-10(g)(2) and 40-5.2-10(g)(3). Income for families applying for or receiving low-income
25 child care shall mean gross earned income minus a twenty percent (20%) disregard applied to the
26 earnings of each adult family member. Earnings of a child under age eighteen (18) years shall not
27 be counted. Income shall also include unearned income subject to exclusions as determined by
28 office regulations.

29 (b) In determining eligibility for child care assistance for children of members of reserve
30 components called to active duty during a time of conflict, the office shall freeze the family
31 composition and the family income of the reserve component member as it was in the month prior
32 to the month of leaving for active duty. This freeze shall continue until the individual is officially
33 discharged from active duty.

34 **40-6.7-5. Elements of expanded assistance program.**

1 (a) Families whose income is at or below fifty percent (50%) of the Rhode Island state
2 median income shall not be charged any copayments for subsidized early education and child care.
3 Copayments for families who are not eligible for fully subsidized early education and care child
4 care shall not exceed seven percent (7%) of the family's total income.

5 (b) The early education and care assistance program shall provide funding for child care
6 assistance to enable all families to afford and access high quality early education and care for
7 infants, toddlers, preschool-age, and school-age children; provided that, a school-age child's
8 assistance shall continue until at least the end of the school year in which the child reaches the
9 maximum age.

10 (c) Funding for childcare assistance may be used for early education and care provided by
11 entities that are licensed by the State of Rhode Island.

12 (d) The office of early childhood development and learning shall allocate funding to
13 increase the numbers of families receiving assistance in stages, in accordance with the following
14 income range priorities:

15 (1) By June 30, 2026, the office of early childhood development and learning shall allocate
16 funding to fully subsidize the cost of early education and care services to all families in need of
17 these services whose income is at or below fifty percent (50%) of the state median income and to
18 all families who are experiencing homelessness or who are headed by a parent under age twenty
19 (20).

20 (2) By June 30, 2027, the office of early childhood development and learning shall fully
21 subsidize the cost of early education and care services to all families in need of these services,
22 whose income is above fifty percent (50%), but not exceeding one hundred percent (100%), of the
23 Rhode Island state median income, with any family fee set in accordance with subsection (f) of this
24 section.

25 (3) By June 30, 2028, the office of early childhood development and learning shall fully
26 subsidize the cost of early education and care services to all families in need of these services,
27 whose income is above one hundred percent (100%), but not exceeding two hundred percent
28 (200%), of the Rhode Island state median income, with any family fee set in accordance with
29 subsection (f) of this section.

30 (e) Provided that additional funds shall be made available to the state through general
31 revenue, restricted receipt accounts, or if the federal government shall otherwise obligate itself to
32 release additional funding not available upon enactment of this chapter, the office shall allocate
33 funding to increase the numbers of families receiving assistance based on income eligibility in
34 accordance with the following income range priorities:

1 (1) First priority: to fully subsidize the cost of early education and care services to all
2 families in need of these services, whose income is at or below three hundred percent (300%) of
3 the Rhode Island state median income, with any family fee set in accordance with subsection (f) of
4 this section.

5 (2) Second priority: to fully subsidize the cost of early education and care services to all
6 families in need of these services, whose income is above three hundred percent (300%), but not
7 exceeding four hundred percent (400%), of the Rhode Island state median income, with any family
8 fee set in accordance with subsection (f) of this section.

9 (3) Third priority: to fully subsidize the cost of early education and care services to all
10 families in need of these services, whose income is above four hundred percent (400%), but not
11 exceeding five hundred percent (500%), of the Rhode Island state median income, with any family
12 fee set in accordance with subsection (f) of this section.

13 (4) Fourth priority: to subsidize the cost of early education and care services to all families
14 in need of these services, whose income is above five hundred percent (500%) of the Rhode Island
15 state median income, with any family fee set in accordance with subsection (f) of this section.

16 (f) Family copayment amounts for all children of a family with children enrolled in
17 qualifying early education and care services shall be determined in accordance with the family's
18 gross income. Copayments may not be determined per each child enrolled in early education and
19 care services.

20 (1) Beginning June 30, 2026, a family receiving subsidized child care from an early
21 education and care provider with an income greater than fifty percent (50%) of the Rhode Island
22 state median income shall be required to pay a co-payment as follows:

<u>A family with a gross household income of</u>	<u>Shall pay a Maximum of this % of gross</u>
<u>this % of the Rhode Island state median</u>	<u>income for co-Payment</u>
<u>income for that family size</u>	
<u>0% -50%</u>	<u>0%</u>
<u>50% -75%</u>	<u>1%</u>
<u>75% -100%</u>	<u>2%</u>

29 (2) Beginning June 30, 2027, a family receiving subsidized child care from an early
30 education and care provider with an income greater than fifty percent (50%) of the Rhode Island
31 state median income shall be required to pay a co-payment as follows:

<u>A family with a gross household income of</u>	<u>Shall pay a Maximum of this % of gross</u>
<u>this percent (%) of the Rhode Island state</u>	<u>income for co-Payment</u>
<u>median income for that family size</u>	

1	<u>0% -50%</u>	<u>0%</u>
2	<u>50% -75%</u>	<u>1%</u>
3	<u>75% -100%</u>	<u>2%</u>
4	<u>100%-125%</u>	<u>3%</u>
5	<u>125%-150%</u>	<u>4%</u>
6	<u>150%-175%</u>	<u>5%</u>
7	<u>175%-200%</u>	<u>6%</u>
8	<u>More than 200%</u>	<u>7%</u>

9 (g) Family income, for the purposes of eligibility for early education and care assistance
10 shall include income of parents living with the child receiving subsidized care, but shall not include:
11 any form of income of legal guardians, foster parents, caregivers, or other adult family members;
12 income of or for siblings who are not receiving subsidized care; or earned income of any minor
13 child.

14 (h) The office of early childhood development and learning shall subsidize early education
15 and care by:

16 (1) Providing vouchers for payment to providers, enabling families to access early
17 education and care providers of their choice; and

18 (2) Offering families the alternative of an open space with a provider that is subsidized
19 under the provider’s agreement with the office.

20 (i) The office of early childhood development and learning shall require early education
21 and care providers, as a condition for receiving grants from the office under this section, to enter
22 into and comply with licensing requirements with the office, developed by the office and requiring
23 the provider to comply with all applicable requirements of this chapter and any other federal or
24 state requirements necessary to receive funding for grants provided to families under this section.

25 (j) The office of early childhood development and learning and its agents shall not reduce,
26 terminate, or deny continued assistance to families until and unless the family is determined to be
27 ineligible and is given the opportunity for an administrative appeal hearing.

28 (k) The office of early childhood development and learning shall not terminate or deny
29 continued assistance on the grounds of ineligibility based on income to families who were receiving
30 subsidized early education and care as of the effective date of this section, as long as the family’s
31 income does not exceed two hundred percent (200%) of Rhode Island state median income.

32 (l) The office of early childhood development and learning shall not terminate or deny
33 continued assistance on the grounds of ineligibility based on income to families who began
34 receiving assistance under this section, as long as the family’s income does not exceed two hundred

1 percent (200%) of Rhode Island state median income. The office may create a formula for adjusting
2 assistance to taper for incomes beyond two hundred percent (200%) of Rhode Island state median
3 income.

4 (m) The office of early childhood development and learning shall review the early
5 education and care assistance program at least annually to identify access barriers to families,
6 including, but not limited to, linguistic barriers, office paperwork, and verification requirements,
7 and shall take action to remove access barriers, including by technological improvements to enable
8 management of larger numbers of families applying for and receiving assistance and by ongoing
9 improvement of families' experiences in dealing with the office and its agents. The office of early
10 childhood development and learning shall submit an annual report with its findings to the governor
11 and general assembly.

12 (n) The office of early childhood development and learning shall adopt any additional
13 regulations necessary to implement the provisions of this section, after providing the opportunity
14 for public comment, to be accepted through both testimony at public hearings and written
15 comments, and after consideration of these comments.

16 **40-6.7-6. Establishment of compensation structure needed to attract and retain**
17 **quality educators.**

18 (a) The office shall convene an early educator and care provider compensation task force
19 to study the issue of compensation structure for provider staff involved in the direct education and
20 care of children that is commensurate with annual pay scales for equivalent teacher positions in the
21 public school system, taking into account: job responsibilities; contractual requirements; and the
22 skills, experience, and credentials of the individual.

23 (b) The task force shall recommend compensation guidelines for other provider staff not
24 involved in the direct education or care of children that are competitive in the labor market for such
25 staff, enabling providers to maintain stable staffing.

26 (c) The task force shall recommend guidelines for the minimum required benefits, and for
27 recommended additional benefits, for provider staff, including, but not limited, to health insurance,
28 retirement benefits, paid vacation, and other leave time.

29 (d) The office may adopt regulations implementing the recommendations of the task force,
30 after providing the opportunity for public comment, to be accepted through both testimony at public
31 hearings and written comments, and after consideration of these comments.

32 (e) The office structure and guidelines shall not preclude provider staff from exercising any
33 rights they may have to collective bargaining about pay and benefits.

34 (f) The office shall review the compensation structure and benefits guidelines annually and

1 [update them, as needed, based on increased cost of living.](#)

2 **40-6.7-7. Creation of a public child care option pilot program.**

3 [The office of early childhood development and learning may develop innovative child care](#)
4 [programs, options, or approaches that increase access, equity, and affordability for families. This](#)
5 [includes, but is not limited to, developing and operating a public child care option. The office shall](#)
6 [develop a pilot program for a public child care option by June 30, 2027.](#)

7 SECTION 2. This act shall take effect January 1, 2024.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO HUMAN SERVICES -- RHODE ISLAND CHILD CARE FOR ALL ACT

1 This act would create the office of early childhood development and learning to provide
2 access to affordable, quality child care and to create a child care system that supports families,
3 workers and the Rhode Island economy.

4 This act would take effect January 1, 2024.

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