

SENATE BILL 294

F5, O4

7lr1336
CF HB 418

By: **Senators King, Benson, Feldman, Ferguson, Kagan, Lee, Madaleno, Robinson, Smith, Young, and Zucker**

Introduced and read first time: January 20, 2017

Assigned to: Budget and Taxation

Committee Report: Favorable

Senate action: Adopted

Read second time: February 21, 2017

CHAPTER _____

1 AN ACT concerning

2 **Child Care Subsidy Program – Reimbursement Rate Adjustments**

3 FOR the purpose of requiring the State Department of Education to conduct a certain
4 analysis regarding the Child Care Subsidy Program beginning in a certain year and
5 at a certain interval thereafter; requiring the Department to consult with certain
6 entities before conducting a certain analysis; requiring the Department to report to
7 certain committees of the General Assembly on or before certain dates; defining
8 certain terms; and generally relating to the Child Care Subsidy Program.

9 BY adding to

10 Article – Education

11 Section 9.5–111

12 Annotated Code of Maryland

13 (2014 Replacement Volume and 2016 Supplement)

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

15 That the Laws of Maryland read as follows:

16 **Article – Education**

17 **9.5–111.**

18 **(A) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS**
19 **INDICATED.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 (1) “ANALYSIS” MEANS THE MARKET RATE SURVEY OR AN
2 ALTERNATIVE METHOD ALLOWABLE UNDER FEDERAL LAW.

3 (2) “PROGRAM” MEANS THE CHILD CARE SUBSIDY PROGRAM.

4 (B) (1) BEGINNING IN 2017, AND EVERY 2 YEARS THEREAFTER, THE
5 DEPARTMENT SHALL CONDUCT AN ANALYSIS IN ORDER TO FORMULATE
6 APPROPRIATE REIMBURSEMENT RATES FOR THE PROGRAM.

7 (2) THE DEPARTMENT, BEFORE CONDUCTING THE ANALYSIS, SHALL
8 CONSULT WITH:

9 (I) THE OFFICE OF CHILD CARE ADVISORY COUNCIL;

10 (II) CHILD CARE RESOURCE AND REFERRAL AGENCIES;

11 (III) CHILD CARE WORKER ORGANIZATIONS; AND

12 (IV) ANY OTHER APPROPRIATE ENTITIES.

13 (C) ON OR BEFORE SEPTEMBER 1, 2017, AND BY SEPTEMBER 1 EVERY 2
14 YEARS THEREAFTER, THE DEPARTMENT SHALL REPORT TO THE JOINT COMMITTEE
15 ON CHILDREN, YOUTH, AND FAMILIES, THE SENATE BUDGET AND TAXATION
16 COMMITTEE, AND THE HOUSE APPROPRIATIONS COMMITTEE, IN ACCORDANCE
17 WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, ON:

18 (1) THE METHODOLOGY OF THE ANALYSIS REQUIRED UNDER
19 SUBSECTION (B) OF THIS SECTION;

20 (2) COST ESTIMATES FOR RAISING THE PROGRAM’S
21 REIMBURSEMENT RATES TO THE 45TH, 55TH, 65TH, AND 75TH PERCENTILE OF
22 CHILD CARE PROVIDERS IN EACH OF THE STATE’S MARKET REGIONS;

23 (3) THE MINIMUM BASE PAYMENT RATE THAT IS REQUIRED FOR
24 CHILD CARE PROVIDERS TO MEET HEALTH, SAFETY, QUALITY, AND STAFFING
25 REQUIREMENTS IN ACCORDANCE WITH FEDERAL LAW AND THE FACTORS USED TO
26 DETERMINE THAT RATE;

27 (4) THE RATE ADJUSTMENT THAT THE DEPARTMENT WILL
28 IMPLEMENT BASED ON THE ANALYSIS;

1 **(5) ANY ADJUSTMENTS TO PROGRAM ELIGIBILITY OR FAMILY COPAY**
2 **AMOUNT THAT WILL BE IMPLEMENTED; AND**

3 **(6) ANY POTENTIAL IMPACTS ON FAMILIES AND PROVIDERS DUE TO**
4 **ANY ADJUSTMENTS MADE TO THE PROGRAM.**

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
6 1, 2017.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.