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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

A N A C T

RELATING TO HUMAN SERVICES -- THE RHODE ISLAND WORKS PROGRAM

Introduced By: Senator Lammis J. Vargas

Date Introduced: June 19, 2025

Referred To: Placed on Senate Calendar

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 40-5.2-20 of the General Laws in Chapter 40-5.2 entitled "The Rhode
2 Island Works Program" is hereby amended to read as follows:

3 **40-5.2-20. Childcare assistance — Families or assistance units eligible. [Effective**
4 **January 1, 2025.]**

5 (a) The department shall provide appropriate child care to every participant who is eligible
6 for cash assistance and who requires child care in order to meet the work requirements in
7 accordance with this chapter.

8 (b) **Low-income child care.** The department shall provide child care to all other working
9 families with incomes at or below two hundred sixty-one percent (261%) of the federal poverty
10 level if, and to the extent, these other families require child care in order to work at paid
11 employment as defined in the department’s rules and regulations. The department shall also provide
12 child care to families with incomes below two hundred sixty-one percent (261%) of the federal
13 poverty level if, and to the extent, these families require child care to participate on a short-term
14 basis, as defined in the department’s rules and regulations, in training, apprenticeship, internship,
15 on-the-job training, work experience, work immersion, or other job-readiness/job-attachment
16 program sponsored or funded by the human resource investment council (governor’s workforce
17 board) or state agencies that are part of the coordinated program system pursuant to § 42-102-11.
18 Effective from January 1, 2021, through June 30, 2022, the department shall also provide childcare
19 assistance to families with incomes below one hundred eighty percent (180%) of the federal poverty

1 level when such assistance is necessary for a member of these families to enroll or maintain
2 enrollment in a Rhode Island public institution of higher education provided that eligibility to
3 receive funding is capped when expenditures reach \$200,000 for this provision. Effective July 1,
4 2022 through December 31, 2024, the department shall also provide childcare assistance to families
5 with incomes below two hundred percent (200%) of the federal poverty level when such assistance
6 is necessary for a member of these families to enroll or maintain enrollment in a Rhode Island
7 public institution of higher education. Effective January 1, 2025, the department shall also provide
8 childcare assistance to families with incomes below two hundred sixty-one percent (261%) of the
9 federal poverty level when such assistance is necessary for a member of these families to enroll or
10 maintain enrollment in a Rhode Island public institution of higher education.

11 (c) No family/assistance unit shall be eligible for childcare assistance under this chapter if
12 the combined value of its liquid resources exceeds one million dollars (\$1,000,000), which
13 corresponds to the amount permitted by the federal government under the state plan and set forth
14 in the administrative rulemaking process by the department. Liquid resources are defined as any
15 interest(s) in property in the form of cash or other financial instruments or accounts that are readily
16 convertible to cash or cash equivalents. These include, but are not limited to: cash, bank, credit
17 union, or other financial institution savings, checking, and money market accounts; certificates of
18 deposit or other time deposits; stocks; bonds; mutual funds; and other similar financial instruments
19 or accounts. These do not include educational savings accounts, plans, or programs; retirement
20 accounts, plans, or programs; or accounts held jointly with another adult, not including a spouse.
21 The department is authorized to promulgate rules and regulations to determine the ownership and
22 source of the funds in the joint account.

23 (d) As a condition of eligibility for childcare assistance under this chapter, the parent or
24 caretaker relative of the family must consent to, and must cooperate with, the department in
25 establishing paternity, and in establishing and/or enforcing child support and medical support
26 orders for any children in the family receiving appropriate child care under this section in
27 accordance with the applicable sections of title 15, as amended, unless the parent or caretaker
28 relative is found to have good cause for refusing to comply with the requirements of this subsection.

29 (e) For purposes of this section, “appropriate child care” means child care, including infant,
30 toddler, preschool, nursery school, and school-age, that is provided by a person or organization
31 qualified, approved, and authorized to provide the care by the state agency or agencies designated
32 to make the determinations in accordance with the provisions set forth herein.

33 (f)(1) Families with incomes below one hundred percent (100%) of the applicable federal
34 poverty level guidelines shall be provided with free child care. Families with incomes greater than

1 one hundred percent (100%) and less than two hundred percent (200%) of the applicable federal
2 poverty guideline shall be required to pay for some portion of the child care they receive, according
3 to a sliding-fee scale adopted by the department in the department's rules, not to exceed seven
4 percent (7%) of income as defined in subsection (h) of this section.

5 (2) Families who are receiving childcare assistance and who become ineligible for
6 childcare assistance as a result of their incomes exceeding two hundred sixty-one percent (261%)
7 of the applicable federal poverty guidelines shall continue to be eligible for childcare assistance
8 until their incomes exceed three hundred percent (300%) of the applicable federal poverty
9 guidelines. To be eligible, the families must continue to pay for some portion of the child care they
10 receive, as indicated in a sliding-fee scale adopted in the department's rules, not to exceed seven
11 percent (7%) of income as defined in subsection (h) of this section, and in accordance with all other
12 eligibility standards.

13 (g) In determining the type of child care to be provided to a family, the department shall
14 take into account the cost of available childcare options; the suitability of the type of care available
15 for the child; and the parent's preference as to the type of child care.

16 (h) For purposes of this section, "income" for families receiving cash assistance under §
17 40-5.2-11 means gross, earned income and unearned income, subject to the income exclusions in
18 §§ 40-5.2-10(g)(2) and 40-5.2-10(g)(3), and income for other families shall mean gross, earned and
19 unearned income as determined by departmental regulations.

20 (i) The caseload estimating conference established by chapter 17 of title 35 shall forecast
21 the expenditures for child care in accordance with the provisions of § 35-17-1.

22 (j) In determining eligibility for childcare assistance for children of members of reserve
23 components called to active duty during a time of conflict, the department shall freeze the family
24 composition and the family income of the reserve component member as it was in the month prior
25 to the month of leaving for active duty. This shall continue until the individual is officially
26 discharged from active duty.

27 (k) Effective from August 1, 2023, through July 31, ~~2025~~ 2028, the department shall
28 provide funding for child care for eligible childcare educators, and childcare staff, who work at
29 least twenty (20) hours a week in licensed childcare centers and licensed family childcare homes
30 as defined in the department's rules and regulations. Eligibility is limited to qualifying childcare
31 educators and childcare staff with family incomes up to three hundred percent (300%) of the
32 applicable federal poverty guidelines and will have no copayments. Qualifying participants may
33 select the childcare center or family childcare home for their children. The department shall
34 promulgate regulations necessary to implement this section, and will collect applicant and

1 participant data to report estimated demand for state-funded child care for eligible childcare
2 educators and childcare staff. The report shall be due [annually](#) to the governor and the general
3 assembly by November 1, ~~2024~~.

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

6 **40-6.2-1.1. Rates established.**

7 (a) Through June 30, 2015, subject to the payment limitations in subsection (c), the
8 maximum reimbursement rates to be paid by the departments of human services and children, youth
9 and families for licensed childcare centers and licensed family childcare providers shall be based
10 on the following schedule of the 75th percentile of the 2002 weekly market rates adjusted for the
11 average of the 75th percentile of the 2002 and the 2004 weekly market rates:

12	Licensed Childcare Centers	75th Percentile of Weekly Market Rate
13	Infant	\$182.00
14	Preschool	\$150.00
15	School-Age	\$135.00
16	Licensed Family Childcare Providers	75th Percentile of Weekly Market Rate
17	Infant	\$150.00
18	Preschool	\$150.00
19	School-Age	\$135.00

20 Effective July 1, 2015, subject to the payment limitations in subsection (c), the maximum
21 reimbursement rates to be paid by the departments of human services and children, youth and
22 families for licensed childcare centers and licensed family childcare providers shall be based on the
23 above schedule of the 75th percentile of the 2002 weekly market rates adjusted for the average of
24 the 75th percentile of the 2002 and the 2004 weekly market rates. These rates shall be increased by
25 ten dollars (\$10.00) per week for infant/toddler care provided by licensed family childcare
26 providers and license-exempt providers and then the rates for all providers for all age groups shall
27 be increased by three percent (3%). For the fiscal year ending June 30, 2018, licensed childcare
28 centers shall be reimbursed a maximum weekly rate of one hundred ninety-three dollars and sixty-
29 four cents (\$193.64) for infant/toddler care and one hundred sixty-one dollars and seventy-one
30 cents (\$161.71) for preschool-age children.

31 (b) Effective July 1, 2018, subject to the payment limitations in subsection (c), the
32 maximum infant/toddler and preschool-age reimbursement rates to be paid by the departments of
33 human services and children, youth and families for licensed childcare centers shall be
34 implemented in a tiered manner, reflective of the quality rating the provider has achieved within

1 the state's quality rating system outlined in § 42-12-23.1.

2 (1) For infant/toddler child care, tier one shall be reimbursed two and one-half percent
3 (2.5%) above the FY 2018 weekly amount, tier two shall be reimbursed five percent (5%) above
4 the FY 2018 weekly amount, tier three shall be reimbursed thirteen percent (13%) above the FY
5 2018 weekly amount, tier four shall be reimbursed twenty percent (20%) above the FY 2018 weekly
6 amount, and tier five shall be reimbursed thirty-three percent (33%) above the FY 2018 weekly
7 amount.

8 (2) For preschool reimbursement rates, tier one shall be reimbursed two and one-half
9 percent (2.5%) above the FY 2018 weekly amount, tier two shall be reimbursed five percent (5%)
10 above the FY 2018 weekly amount, tier three shall be reimbursed ten percent (10%) above the FY
11 2018 weekly amount, tier four shall be reimbursed thirteen percent (13%) above the FY 2018
12 weekly amount, and tier five shall be reimbursed twenty-one percent (21%) above the FY 2018
13 weekly amount.

14 (c) [Deleted by P.L. 2019, ch. 88, art. 13, § 4.]

15 (d) By June 30, 2004, and biennially through June 30, 2014, the department of labor and
16 training shall conduct an independent survey or certify an independent survey of the then-current
17 weekly market rates for child care in Rhode Island and shall forward the weekly market rate survey
18 to the department of human services. The next survey shall be conducted by June 30, 2016, and
19 triennially thereafter. The departments of human services and labor and training will jointly
20 determine the survey criteria including, but not limited to, rate categories and sub-categories.

21 (e) In order to expand the accessibility and availability of quality child care, the department
22 of human services is authorized to establish, by regulation, alternative or incentive rates of
23 reimbursement for quality enhancements, innovative or specialized child care, and alternative
24 methodologies of childcare delivery, including nontraditional delivery systems and collaborations.

25 (f) Effective January 1, 2007, all childcare providers have the option to be paid every two
26 (2) weeks and have the option of automatic direct deposit and/or electronic funds transfer of
27 reimbursement payments.

28 (g) Effective July 1, 2019, the maximum infant/toddler reimbursement rates to be paid by
29 the departments of human services and children, youth and families for licensed family childcare
30 providers shall be implemented in a tiered manner, reflective of the quality rating the provider has
31 achieved within the state's quality rating system outlined in § 42-12-23.1. Tier one shall be
32 reimbursed two percent (2%) above the prevailing base rate for step 1 and step 2 providers, three
33 percent (3%) above prevailing base rate for step 3 providers, and four percent (4%) above the
34 prevailing base rate for step 4 providers; tier two shall be reimbursed five percent (5%) above the

1 prevailing base rate; tier three shall be reimbursed eleven percent (11%) above the prevailing base
2 rate; tier four shall be reimbursed fourteen percent (14%) above the prevailing base rate; and tier
3 five shall be reimbursed twenty-three percent (23%) above the prevailing base rate.

4 (h) Through December 31, 2021, the maximum reimbursement rates paid by the
5 departments of human services, and children, youth and families to licensed childcare centers shall
6 be consistent with the enhanced emergency rates provided as of June 1, 2021, as follows:

7		Tier 1	Tier 2	Tier 3	Tier 4	Tier 5
8	Infant/Toddler	\$257.54	\$257.54	\$257.54	\$257.54	\$273.00
9	Preschool Age	\$195.67	\$195.67	\$195.67	\$195.67	\$260.00
10	School Age	\$200.00	\$200.00	\$200.00	\$200.00	\$245.00

11 The maximum reimbursement rates paid by the departments of human services, and
12 children, youth and families to licensed family childcare providers shall be consistent with the
13 enhanced emergency rates provided as of June 1, 2021, as follows:

14		Tier 1	Tier 2	Tier 3	Tier 4	Tier 5
15	Infant/Toddler	\$224.43	\$224.43	\$224.43	\$224.43	\$224.43
16	Preschool Age	\$171.45	\$171.45	\$171.45	\$171.45	\$171.45
17	School Age	\$162.30	\$162.30	\$162.30	\$162.30	\$162.30

18 (i) Effective January 1, 2022, the maximum reimbursement rates to be paid by the
19 departments of human services and children, youth and families for licensed childcare centers shall
20 be implemented in a tiered manner, reflective of the quality rating the provider has achieved within
21 the state's quality rating system outlined in § 42-12-23.1. Maximum weekly rates shall be
22 reimbursed as follows:

23 Licensed Childcare Centers

24		Tier One	Tier Two	Tier Three	Tier Four	Tier Five
25	Infant/Toddler	\$236.36	\$244.88	\$257.15	\$268.74	\$284.39
26	Preschool	\$207.51	\$212.27	\$218.45	\$223.50	\$231.39
27	School-Age	\$180.38	\$182.77	\$185.17	\$187.57	\$189.97

28 The maximum reimbursement rates for licensed family childcare providers paid by the
29 departments of human services, and children, youth and families is determined through collective
30 bargaining. The maximum reimbursement rates for infant/toddler and preschool age children paid
31 to licensed family childcare providers by both departments is implemented in a tiered manner that
32 reflects the quality rating the provider has achieved in accordance with § 42-12-23.1.

33 (j) Effective July 1, 2022, the maximum reimbursement rates to be paid by the departments
34 of human services and children, youth and families for licensed childcare centers shall be

1 implemented in a tiered manner, reflective of the quality rating the provider has achieved within
2 the state’s quality rating system outlined in § 42-12-23.1. Maximum weekly rates shall be
3 reimbursed as follows:

4	Licensed Childcare Centers					
5		Tier One	Tier Two	Tier Three	Tier Four	Tier Five
6	Infant/Toddler	\$265	\$270	\$282	\$289	\$300
7	Preschool	\$225	\$235	\$243	\$250	\$260
8	School-Age	\$200	\$205	\$220	\$238	\$250

9 (k) Effective July 1, 2024, the maximum reimbursement rates to be paid by the departments
10 of human services and children, youth and families for licensed childcare centers shall be
11 implemented in a tiered manner, reflective of the quality rating the provider has achieved within
12 the state’s quality rating system outlined in § 42-12-23.1. Maximum weekly rates shall be
13 reimbursed as follows:

14	Licensed Childcare Centers					
15		Tier One	Tier Two	Tier Three	Tier Four	Tier Five
16	Infant/Toddler	\$278	\$284	\$296	\$303	\$315
17	Preschool	\$236	\$247	\$255	\$263	\$273
18	School-Age	\$210	\$215	\$231	\$250	\$263

19 (l) Effective July 1, 2025, the maximum reimbursement rates to be paid by the departments
20 of human services and children, youth and families for licensed childcare centers shall be
21 implemented in a tiered manner, reflective of the quality rating the provider has achieved within
22 the state’s quality rating system outlined in § 42-12-23.1. Maximum weekly rates shall be
23 reimbursed as follows:

24		<u>Tier 1</u>	<u>Tier 2</u>	<u>Tier 3</u>	<u>Tier 4</u>	<u>Tier 5</u>
25	<u>Infant</u>	<u>\$334</u>	<u>\$341</u>	<u>\$355</u>	<u>\$364</u>	<u>\$378</u>
26	<u>Toddlers</u>	<u>\$278</u>	<u>\$284</u>	<u>\$296</u>	<u>\$303</u>	<u>\$315</u>
27	<u>Preschoolers</u>	<u>\$236</u>	<u>\$247</u>	<u>\$255</u>	<u>\$263</u>	<u>\$273</u>
28	<u>School Age</u>	<u>\$210</u>	<u>\$215</u>	<u>\$231</u>	<u>\$250</u>	<u>\$263</u>

29 SECTION 3. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO HUMAN SERVICES -- THE RHODE ISLAND WORKS PROGRAM

1 This act would increase the tiered rates paid for licensed childcare centers to meet or exceed
2 the federal equal access benchmark, implement a new differential bonus rate for infants under age
3 eighteen (18) months and adopt fair payment practices consistent with the federal rules for the Child
4 Care and Development Fund.

5 This act would take effect upon passage.

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