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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2017

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A N A C T

RELATING TO HUMAN SERVICES -- CHILD CARE--STATE SUBSIDIES

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

Date Introduced: February 01, 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 CHILD CARE	75th PERCENTILE
10 CENTERS	OF WEEKLY MARKET RATE
11 INFANT	\$182.00
12 PRESCHOOL	\$150.00
13 SCHOOL-AGE	\$135.00
14 CERTIFIED FAMILY CHILD	75th PERCENTILE OF
15 CARE PROVIDERS	WEEKLY MARKET RATE
16 INFANT	\$150.00
17 PRESCHOOL	\$150.00
18 SCHOOL-AGE	\$135.00

19 Effective July 1, 2015, subject to the payment limitations in subsection (b), the maximum

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

8 Effective July 1, 2017, the departments of human services and children, youth and
9 families shall pay enhanced reimbursement rates for infants and toddlers enrolled in licensed
10 child care centers and family child care homes that have achieved a quality rating of two (2),
11 three (3), four (4), or five (5) stars in Bright Stars, the state's quality rating and improvement
12 system. The rates shall be based on the 2016 weekly market rate survey at the following levels:

13 <u>Two (2) stars</u>	<u>55th Percentile</u>
14 <u>Three (3) stars</u>	<u>65th Percentile</u>
15 <u>Four (4) stars</u>	<u>75th Percentile</u>
16 <u>Five (5) stars</u>	<u>75th Percentile.</u>

17 The departments shall pay these enhanced quality reimbursement rates without
18 consideration for subsection (b) of this section which would require providers to increase their
19 rates for other customers in order to capture the enhanced state rate.

20 (b) The department shall pay child care providers based on the lesser of the applicable
21 rate specified in subsection (a), or the lowest rate actually charged by the provider to any of its
22 public or private child care customers with respect to each of the rate categories, infant, preschool
23 and school-age. (c) By June 30, 2004 and biennially through June 30, 2014, the department of
24 labor and training shall conduct an independent survey or certify an independent survey of the
25 then current weekly market rates for child care in Rhode Island and shall forward such weekly
26 market rate survey to the department of human services. The next survey shall be conducted by
27 June 30, 2016, and triennially thereafter. The departments of human services and labor and
28 training will jointly determine the survey criteria including, but not limited to, rate categories and
29 sub-categories. (d) In order to expand the accessibility and availability of quality child care, the
30 department of human services is authorized to establish by regulation alternative or incentive
31 rates of reimbursement for quality enhancements, innovative or specialized child care and
32 alternative methodologies of child care delivery, including non-traditional delivery systems and
33 collaborations. (e) On or before January 1, 2007, all child care providers have the option to be
34 paid every two (2) weeks and have the option of automatic direct deposit and/or electronic funds

1 transfer of reimbursement payments.

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

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

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1 This act would enhance the reimbursement rates paid by the departments of human
2 services and children, youth and families for infants and toddlers enrolled in licensed child care
3 centers and certified family child care providers that have achieved a quality rating of 2 to 5 stars
4 in Bright Stars, the state's quality rating system.

5 This act would take effect upon passage.

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