

2025 -- H 5321

=====
LC000523
=====

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

—————
A N A C T

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

Introduced By: Representatives Cruz, Diaz, Kislak, Ajello, Morales, Messier, Sanchez,
Potter, Giraldo, and Speakman

Date Introduced: February 05, 2025

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Legislative findings.

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

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

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

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

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

19 (6) The U.S. Department of Health and Human Services has established clear guidelines

1 for establishing whether child care is affordable, which state that families should pay no more than
2 seven percent (7%) of their family income towards child care. Using that standard, most families
3 with young children in Rhode Island require assistance to afford child care.

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

6 CHAPTER 6.7

7 RHODE ISLAND CHILD CARE FOR ALL ACT

8 **40-6.7-1. The office for early learning.**

9 (a) By April 1, 2026, the executive branch shall produce a report outlining the costs and
10 staffing requirements to create an office for early learning (the "office") and describing the
11 transition plan for how responsibilities previously managed by other departments shall be
12 transferred to the office.

13 (b) Effective June 30, 2027, the office for early learning shall be established within the
14 executive branch of state government, to serve as the principal agency for managing a statewide
15 early learning system. The office shall have the following powers and duties in accordance with
16 the following schedule:

17 (1) On or about June 30, 2027, to assume functions related to early childcare set forth in
18 chapter 12 of title 42, to be transferred from the department of human services, including the
19 administration of the child care assistance program, the quality rating and improvement system for
20 child care and early learning programs, and child care licensing;

21 (2) The Rhode Island head start collaboration office shall be transferred to the office for
22 early learning.

23 (3) On or about June 30, 2027, to assume functions related to pre-kindergarten set forth in
24 chapter 87 of title 16, to be transferred from the department of education;

25 (4) On or before December 1, 2027, to provide the senate and house of representatives a
26 comprehensive study of the existing early childhood education infrastructure, a review of roles,
27 functions, and programs of the office for early learning, and a workforce training plan in
28 collaboration with the department of labor and training and the department of education; and

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

33 (c) The department of administration shall furnish the office with suitable offices and
34 telephone service in the state house, state office building, or some other convenient location, for

1 the transaction of its business.

2 **40-6.7-2. Direct support to child care providers program.**

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

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

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

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

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

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

31 (6) Enabling early education and care providers to maintain or increase capacity to provide
32 direct services and to partner with early intervention programs and local school districts to ensure
33 children from birth through kindergarten entry who have developmental delays and disabilities
34 have access to high-quality services required under the federal Individuals with Disabilities

1 Education Act. Additional services that early care and education providers shall be supported to
2 provide enrolled children and their families, can also include social work services, health and
3 mental health services, and other supports for families, parents, and caregivers.

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

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

11 (1) Provide data that the office for early learning requires, as needed to carry out the office's
12 assessment and reporting requirements under this chapter;

13 (2) Have a current Rhode Island child care license; and

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

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

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

19 (2) Economies of scale, such that smaller providers may have higher costs in some areas
20 necessitating proportionately higher funding; and

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

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

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

31 (g) In the event of insufficient funding for all eligible early education and care providers,
32 the office for early learning shall select providers based on the following criteria:

33 (1) The number of children with physical, developmental, or intellectual disabilities,
34 children who are homeless, and children who are at risk for involvement with or in the care of the

1 department of children, youth and families, currently enrolled with the provider;

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

5 (3) Whether the provider, if funded, would have the capacity and expertise to serve children
6 and families with physical, developmental, or intellectual disabilities as defined by statute, children
7 who are homeless, and children who are at risk for involvement with or in the care of the department
8 of children, youth and families;

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

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

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

19 **40-6.7-3. Child care assistance -- Family income definitions.**

20 (a) For purposes of this section, "income" for families receiving cash assistance under §
21 40-5.2-11 means gross, earned income and unearned income, subject to the income exclusions in
22 §§ 40-5.2-10(g)(2) and 40-5.2-10(g)(3). Income for families applying for or receiving low-income
23 child care shall mean gross earned income minus a twenty percent (20%) disregard applied to the
24 earnings of each adult family member. Earnings of a child under age eighteen (18) years shall not
25 be counted. Income shall also include unearned income subject to exclusions as determined by
26 office regulations.

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

32 **40-6.7-4. Elements of expanded assistance program.**

33 (a) Families whose income is at or below fifty percent (50%) of the Rhode Island state
34 median income shall not be charged any copayments for subsidized early education and child care.

1 Copayments for families who are not eligible for fully subsidized early education and care child
2 care shall not exceed seven percent (7%) of the family's total income.

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

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

10 (d) The office for early learning shall allocate funding to increase the numbers of families
11 receiving assistance in stages, in accordance with the following income range priorities:

12 (1) By June 30, 2028, the office for early learning shall allocate funding to fully subsidize
13 the cost of early education and care services to all families in need of these services whose income
14 is at or below fifty percent (50%) of the state median income and to all families who are
15 experiencing homelessness or who are headed by a parent under age twenty (20);

16 (2) By June 30, 2029, the office for early learning shall fully subsidize the cost of early
17 education and care services to all families in need of these services, whose income is above fifty
18 percent (50%), but not exceeding one hundred percent (100%), of the Rhode Island state median
19 income, with any family fee set in accordance with subsection (f) of this section;

20 (3) By June 30, 2030, the office for early learning shall fully subsidize the cost of early
21 education and care services to all families in need of these services, whose income is above one
22 hundred percent (100%), but not exceeding two hundred percent (200%), of the Rhode Island state
23 median income, with any family fee set in accordance with subsection (f) of this section;

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

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

33 (2) Second priority: to fully subsidize the cost of early education and care services to all
34 families in need of these services, whose income is above three hundred percent (300%), but not

1 exceeding four hundred percent (400%), of the Rhode Island state median income, with any family
2 fee set in accordance with subsection (f) of this section;

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

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

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

14 (1) Beginning June 30, 2028, a family receiving subsidized child care from an early
15 education and care provider with an income greater than fifty percent (50%) of the Rhode Island
16 state median income shall be required to pay a co-payment as follows:

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

23 (2) Beginning June 30, 2029, a family receiving subsidized child care from an early
24 education and care provider with an income greater than fifty percent (50%) of the Rhode Island
25 state median income shall be required to pay a co-payment as follows:

<u>A family with a gross household income of this %</u>	<u>Shall pay a maximum of this % of</u>
<u>of the Rhode Island state median income for that</u>	<u>gross income for co-payment</u>
<u>family size</u>	
<u>0% - 50%</u>	<u>0%</u>
<u>50% - 75%</u>	<u>1%</u>
<u>75% - 100%</u>	<u>2%</u>
<u>100% - 125%</u>	<u>3%</u>
<u>125% - 150%</u>	<u>4%</u>
<u>150% - 175%</u>	<u>5%</u>

1 175% - 200% 6%

2 More than 200% 7%

3 (g) Family income, for the purposes of eligibility for early education and care assistance
4 shall include income of parents living with the child receiving subsidized care, excluding any form
5 of income of legal guardians, foster parents, caregivers, or other adult family members; income of
6 or for siblings who are not receiving subsidized care; or earned income of any minor child.

7 (h) The office for early learning shall subsidize early education and care by:

8 (i) Providing vouchers for payment to providers, enabling families to access early
9 education and care providers of their choice; and

10 (ii) Offering families the alternative of an open space with a provider that is subsidized
11 under the provider's agreement with the office.

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

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

20 (k) With regard to protection for families currently eligible for assistance, but in lower
21 priority category for expansion of the childcare assistance program. The office for early learning
22 shall not terminate or deny continued assistance on the grounds of ineligibility based on income to
23 families who were receiving subsidized early education and care as of the effective date of this
24 section, as long as the family's income does not exceed two hundred percent (200%) of Rhode
25 Island state median income.

26 (l) The office for early learning shall not terminate or deny continued assistance on the
27 grounds of ineligibility based on income to families who began receiving assistance under this
28 section, as long as the family's income does not exceed two hundred percent (200%) of Rhode
29 Island state median income. The office may create a formula for adjusting assistance to taper for
30 incomes beyond two hundred percent (200%) of Rhode Island state median income.

31 (m) The office for early learning shall review the early education and care assistance
32 program at least annually to identify access barriers to families, including, but not limited to,
33 linguistic barriers, office paperwork, and verification requirements, and shall take action to remove
34 access barriers, including by technological improvements to enable management of larger numbers

1 of families applying for and receiving assistance and by ongoing improvement of families'
2 experiences in dealing with the office and its agents. The office shall submit an annual report with
3 its findings to the governor and general assembly.

4 (n) The office for early learning shall adopt any additional rules and regulations necessary
5 to implement the provisions of this section, after providing the opportunity for public comment, to
6 be accepted through both testimony at public hearings and written comments, and after
7 consideration of these comments.

8 **40-6.7-5. Establishment of compensation structure needed to attract and retain**
9 **quality educators.**

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

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

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

21 (d) The office for early learning may adopt rules and regulations implementing the
22 recommendations of the task force, after providing the opportunity for public comment, to be
23 accepted through both testimony at public hearings and written comments, and after consideration
24 of these comments.

25 (e) The office for early learning's structure and guidelines shall not preclude provider staff
26 from exercising any rights they may have to collective bargaining about pay and benefits.

27 (f) The office for early learning shall review the compensation structure and benefits
28 guidelines annually and update them, as needed, based on increased cost of living.

29 **40-6.7-6. Creation of a public childcare option pilot program.**

30 The office for early learning may develop innovative child care programs, options, or
31 approaches that increase access, equity, and affordability for families, including, but not limited to,
32 developing and operating a public child care option. The office for early learning shall develop a
33 pilot program for a public child care option by June 30, 2029.

=====
LC000523
=====

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 establish the Rhode Island Child Care for All Act which would provide
2 high quality and affordable child care to families throughout the state. This act would establish the
3 office for early learning which would assume certain functions of the departments of human
4 services and education as it relates to early childcare such as the administration of child care
5 assistance program, the quality rating and improvement system for child care and early learning
6 programs, and child care licensing. The office for early learning would further be responsible to
7 establish programs for annual funding to early education and care providers to cover any shortage
8 of the costs of high quality early education and care. This act would further expand eligibility to
9 families throughout the state for child care payment assistance.

10 This act would take effect on January 1, 2026.

=====
LC000523
=====