

HOUSE BILL 418

F5, O4

7lr1594
CF SB 294

By: **Delegates Kelly, Angel, Ebersole, Frick, Gaines, Gutierrez, Hettleman, Jackson, Lafferty, Lam, Lierman, McCray, A. Miller, Morales, Platt, Reznik, Turner, Valderrama, Valentino-Smith, Waldstreicher, A. Washington, M. Washington, and K. Young**

Introduced and read first time: January 26, 2017

Assigned to: Appropriations

Committee Report: Favorable

House 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.**

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

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

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

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

9 **(2) THE DEPARTMENT, BEFORE CONDUCTING THE ANALYSIS, SHALL**
10 **CONSULT WITH:**

11 **(I) THE OFFICE OF CHILD CARE ADVISORY COUNCIL;**

12 **(II) CHILD CARE RESOURCE AND REFERRAL AGENCIES;**

13 **(III) CHILD CARE WORKER ORGANIZATIONS; AND**

14 **(IV) ANY OTHER APPROPRIATE ENTITIES.**

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

20 **(1) THE METHODOLOGY OF THE ANALYSIS REQUIRED UNDER**
21 **SUBSECTION (B) OF THIS SECTION;**

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

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

29 **(4) THE RATE ADJUSTMENT THAT THE DEPARTMENT WILL**
30 **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.

Speaker of the House of Delegates.

President of the Senate.