

SB 144-FN - AS AMENDED BY THE SENATE

01/05/2022 2218s

02/16/2022 0609s

2021 SESSION

21-0940

05/10

SENATE BILL ***144-FN***

AN ACT relative to child care scholarships.

SPONSORS: Sen. Whitley, Dist 15; Sen. Rosenwald, Dist 13; Sen. Perkins Kwoka, Dist 21; Sen. Watters, Dist 4; Sen. Hennessey, Dist 1; Sen. Prentiss, Dist 5; Sen. D'Allesandro, Dist 20; Sen. Soucy, Dist 18; Sen. Sherman, Dist 24; Rep. McWilliams, Merr. 27; Rep. Nordgren, Graf. 12; Rep. Wallner, Merr. 10

COMMITTEE: Health and Human Services

AMENDED ANALYSIS

This bill establishes a child care scholarship pilot program to provide enrollment-based reimbursement to child care providers.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears ~~[in brackets and struckthrough.]~~
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

SB 144-FN - AS AMENDED BY THE SENATE

01/05/2022 2218s

02/16/2022 0609s

21-0940

05/10

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty One

AN ACT relative to child care scholarships.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 Statement of Findings. The general court hereby finds that:

2 I. The availability of quality, affordable, safe, and reliable child care is critical to allow
3 parents to remain in the workforce, build a strong and future-focused economy, and provide a
4 supportive environment for healthy child development that prepares children for success in school
5 and in life.

6 II. The child care scholarship or subsidy plays a significant role in ensuring all New
7 Hampshire families can access quality, safe, and reliable child care, regardless of income.

8 III. The COVID-19 crisis has exposed the inherent fragility of New Hampshire's child care
9 system and the need to solidify this sector.

10 IV. Shifting from attendance-based payment to enrollment-based reimbursement for
11 participating child care providers would level the playing field for families qualifying for child care
12 scholarships, incentivize child care programs to open their doors to these families, and provide
13 stability to New Hampshire families, especially in such uncertain times.

14 2 Department of Health and Human Services; Child Care Scholarships; Pilot Program.

15 I. The department of health and human services shall implement a 3-month pilot program
16 to provide enrollment-based reimbursement to child care providers who accept child care
17 scholarships through the Child Care and Development Fund (CCDF) plan for New Hampshire. For
18 the purposes of the pilot, enrollment-based billing shall continue unless a child exceeds 2 weeks of
19 consecutive absence from the program without notification to the provider regarding circumstances
20 and agreed upon return date.

21 II. On or before September 1, 2022, the department of health and human services shall
22 provide a detailed report of the enrollment-based pilot to child care providers who accept child care
23 scholarships through the CCDF to the senate health and human services committee and the house
24 children and family law and health, human services and elderly affairs committees. In the report,
25 the department shall review and provide data on the overall cost of the enrollment-based
26 reimbursement model compared with the current attendance-based reimbursement model. The
27 report shall include data on utilization, child care provider participation, absentee rate, and other
28 relevant information available to assess the pilot program.

29 III. The department of health and human services is authorized to use the Supplemental
30 Child Care and Development Fund Discretionary Funds appropriated in the American Rescue Plan

SB 144-FN - AS AMENDED BY THE SENATE

- Page 2 -

1 Act of 2021, Public Law 117-2 (ARPA), for the purpose of funding a CCDF scholarship pilot program.
2 The department is authorized to spend down CCDF funding before using ARPA Supplemental Child
3 Care and Development Fund Discretionary Funds.

4 IV. The department shall include, as part of the biennial budgetary process, the full cost to
5 provide enrollment-based reimbursement, rather than attendance-based payment, to child care
6 providers who accept child care scholarships through the CCDF plan for New Hampshire for fiscal
7 years 2024-2025.

8 3 Effective Date. This act shall take effect upon its passage.

SB 144-FN- FISCAL NOTE
AS AMENDED BY THE SENATE (AMENDMENT #2021-2218s)

AN ACT relative to child care scholarships.

FISCAL IMPACT: ☒ State ☐ County ☐ Local ☐ None

STATE:	Estimated Increase / (Decrease)			
	FY 2022	FY 2023	FY 2024	FY 2025
Appropriation	\$0	\$0	\$0	\$0
Revenue	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	Indeterminable	Indeterminable
Funding Source:	☐ General Federal Funds ☐ Education ☐ Highway ☒ Other -			

METHODOLOGY:

This bill requires the Department of Health and Human Services to implement a three-month (or longer) pilot program to provide enrollment-based reimbursement, rather than attendance-based payment, to childcare providers who accept child care scholarships through the Child Care and Development Fund (CCDF). The bill authorizes the Department to use federal CCDF funds or, if such funds are not available, federal American Rescue Plan Act (ARPA) funds to pay for the pilot program. Following implementation of the pilot program, the bill requires the Department to prepare a report identifying the costs of the respective payment models. Finally, the bill requires the Department to submit, as part of its biennial budget process, the full cost of providing enrollment-based reimbursement for the FY 24/25 biennium.

The Department states that it will be able to fund the pilot program with existing federal resources, and that no additional appropriations will be necessary for the current FY 22/23 biennium. If the program is made permanent in the FY 24/25 budget, the Department expects it to result in an indeterminable increase in expenditures at that time.

AGENCIES CONTACTED:

Department of Health and Human Services