

[Third Reprint]

ASSEMBLY, No. 4177

STATE OF NEW JERSEY

220th LEGISLATURE

INTRODUCED JUNE 2, 2022

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SYNOPSIS

Extends duration of law requiring certain provider subsidy payments for child care services be based on enrollment.

CURRENT VERSION OF TEXT

As reported by the Senate Budget and Appropriations Committee on November 30, 2023, with amendments.

(Sponsorship Updated As Of: 1/8/2024)

1 AN ACT concerning child care subsidies and amending P.L.2021,
2 c.324.

3

4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6

7 ¹1. The title of P.L.2021, c.324 is amended to read as follows:

8 AN ACT concerning State subsidies to child care providers ,
9 supplementing Title 30 of the Revised Statutes, and making an
10 appropriation.¹

11 (cf: P.L.2021, c.324, Title)

12

13 ¹**[1.] 2.**¹ Section 1 of P.L.2021, c.324 ¹(C._____) ¹is amended to
14 read as follows:

15 1. a. For the period beginning on the effective date of P.L.2021,
16 c.324 and ending June 30, **[2022]** 2025, and notwithstanding any law,
17 rule, or regulation to the contrary and in addition to any other criteria
18 set forth by the Division of Family Development in the Department of
19 Human Services to determine a provider's subsidy payment for child
20 care services, the division shall determine the subsidy payment for
21 child care services issued to a licensed child care center or a registered
22 family day care provider based on the number of children enrolled
23 with the provider who are eligible for child care services. At no time
24 during this period shall a subsidy payment for child care services
25 issued to a licensed child care center or a registered family day care
26 provider be based on the attendance of eligible children for child care
27 services.

28 b. ³**(1)**³ A licensed child care center or a registered family day care
29 provider for which the subsidy payment is based on enrollment of
30 children who are eligible for child care services shall comply at all
31 times with requirements concerning the ratio of staff to enrolled
32 children, as established pursuant to regulation by the Office of
33 Licensing in the Department of Children and Families. At no time
34 shall this ratio be based on the attendance of children eligible for child
35 care services.

36 ³**(2)** A licensed child care center or a registered family day care
37 provider receiving an enrollment-based subsidy payment pursuant to
38 this section shall pay wages to its staff, and determine the number of
39 hours worked by staff, based on the number of children enrolled with
40 the provider who are eligible for child care services. At no time shall
41 the amount of wages paid to staff or the number of hours worked by
42 staff be based on the attendance of children eligible for child care
43 services.

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly AWC committee amendments adopted June 9, 2022.

²Assembly AAP committee amendments adopted May 18, 2023.

³Senate SBA committee amendments adopted November 30, 2023.

(3) A licensed child care center or a registered family day care provider receiving an enrollment-based subsidy payment pursuant to this section shall continue to receive such payments until the division issues the final report required pursuant to subsection c. of this section, at which time the division may consider to extend the payment of enrollment-based subsidies to licensed child care centers and registered family day care providers in accordance with P.L.2021, c.324 (C. _____).³

c. **【Within 12 months following the effective date of this act, the division shall conduct a study and submit a written report to the Governor and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), to the Legislature】** The division shall conduct a study comparing the costs of basing child care provider subsidy payments on the number of children enrolled who are eligible for child care services and basing such subsidy payments on the number of children in attendance who are eligible for child care services. As part of the study and 【report】²**【the reports】 report**² issued pursuant to this section, the division may consider other measures that may be taken with respect to the payment of subsidies to licensed child care centers and registered family day care providers to ensure stability for providers and best serve families of children eligible for child care services.

The division shall issue³**【an initial】** a³ report on the study to the Governor and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), to the Legislature within³**【12 months following the effective date of**¹**【this act】** P.L.2021, c.324 (C. _____)¹ ²**【, and a final report within three years of the effective date**¹**【this act】** of P.L. _____, c. _____ (C. _____) (pending before the Legislature as this bill)¹²**】** three years of the effective date of P.L. _____, c. _____ (C. _____) (pending before the Legislature as this bill)³.

d. The Commissioner of Human Services shall apply for such State plan amendments or waivers as may be necessary to implement the provisions of this section and to continue to secure any available federal financial participation for the applicable child care programs.

e. As used in this section, “child care services” means those services provided to eligible children, as certified by the Division of Family Development within the Department of Human Services, for which the division receives and administers State and federal funding to provide subsidy payments to licensed child care centers and registered family day care providers.

(cf: P.L.2021, c.324, s.1)

¹**【2.】** 3.¹ This act shall take effect immediately.