

SENATE HEALTH, HUMAN SERVICES AND SENIOR CITIZENS COMMITTEE

STATEMENT TO **SENATE, No. 4005**

with committee amendments

STATE OF NEW JERSEY

DATED: NOVEMBER 30, 2023

The Senate Health, Human Services and Senior Citizens Committee reports favorably and with committee amendments Senate Bill No. 4005.

As amended by the committee, this bill establishes the Employer-Based Child Care Assistance Partnership Program in the Department of Children and Families (DCF). The purpose of the program is to incentivize employers to contribute to employee child care costs by providing State funds that match employer contributions in order to ensure that the working parents of this State and their children have access to affordable, high-quality child care services. Participation in the program will be voluntary, and the DCF is to regulate and oversee the activities associated with the program.

Under the bill, an employer who wishes to provide child care assistance to an employee under the program and a child care provider seeking to participate in the program will submit a one-time application to the DCF, which will enroll the employer or child care provider in the program. Upon enrollment, the employer may enroll employees by submitting a standardized certification form to the DCF that includes, among other things, the amount of the employer's contribution to the employee's child care provider. The amount of State matching funds will be based on the employee's household income.

If the total amount of the employer contribution and State matching funds do not cover the employee's total child care costs, the employee will be responsible for the remaining balance of the costs.

The bill sets forth certain circumstances under which participation in the program will be terminated, including the failure by the employer to make a contribution payment, the failure of the employee to pay the balance of child care costs not covered under the program, a child care provider ceasing to qualify for the program, or voluntary termination by the employer or employee.

The bill creates in the Department of the Treasury a dedicated, non-lapsing fund, to be known as the Employer-Based Child Care Assistance Partnership Fund. The fund will be the repository for

monies made available to implement the provisions of the bill. All monies expended for the purpose of providing State matching funds against contributions made by employers to employee child care costs are to be paid from the fund.

The bill also requires the DCF to issue a report about the program's efficacy within one year after the program is established, and annually thereafter, to the Governor and Legislature. The report is to be posted on the DCF's website and made available to the public upon request.

COMMITTEE AMENDMENTS:

The committee amendments make various technical changes to the bill concerning grammar, formatting, style, citation, and syntax.