MISSISSIPPI LEGISLATURE
REGULAR SESSION 2007
By: Representative Fleming
To: Public Health and Human Services; Appropriations

HOUSE BILL NO. 384

AN ACT TO ESTABLISH THE CHILD CARE PROVIDER DEVELOPMENT AND RETENTION GRANT PROGRAM, THE CHILD CARE PROVIDER SCHOLARSHIP PROGRAM AND THE HEALTHY EARLY EDUCATION WORKFORCE GRANT PROGRAM, WHICH SHALL BE ADMINISTERED BY THE DEPARTMENT OF HUMAN SERVICES; TO PROVIDE THAT THE DEPARTMENT SHALL SUBMIT AN ANNUAL REPORT TO THE LEGISLATURE ABOUT THOSE PROGRAMS; AND FOR RELATED PURPOSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

SECTION 1. This act may be cited as the "Focus on Committed and Underpaid Staff for Children's Sake Act" or as the "FOCUS Act."

SECTION 2. (1) The Legislature makes the following findings:

(a) Research on early brain development and early childhood demonstrates that the experiences children have and the attachments children form early in life have a decisive, long-lasting impact on their later development and learning.

(b) High-quality, developmentally appropriate child care beginning in early childhood and continuing through the years that children are in school improves the scholastic success and educational attainment of children, and the success and attainment persist into adulthood.

(c) According to a growing body of research, the single most important determinant of child care quality is the presence of consistent, sensitive, well-trained, and well-compensated child care providers. However, child care programs nationwide experience high turnover in teaching staff, fueled by poor compensation and few opportunities for advancement.

(d) The United States Department of Labor reports that, in 2001, the average wage for a child care provider was Eight
Dollars and Sixteen Cents ($8.16) per hour, or Sixteen Thousand Nine Hundred Eighty Dollars ($16,980.00) annually. For full-time, full-year work, the average annual wage for a child care provider was not much above the 2001 poverty level of Fourteen Thousand Six Hundred Thirty Dollars ($14,630.00) for a family consisting of a parent and two (2) children. Family child care providers earned even less: The median weekly wage of a family child care provider in 2001 was Two Hundred Sixty-four Dollars ($264.00), which equals an annual wage of Thirteen Thousand Seven Hundred Twenty-eight Dollars ($13,728.00).

(e) Despite the important role child care providers may play in early child development and learning, on average, a child care provider earns less in a year than a bus driver (Twenty-nine Thousand Four Hundred Thirty Dollars ($29,430.00)), barber (Twenty-one Thousand One Hundred Ninety Dollars ($21,190.00)), or janitor (Nineteen Thousand Eight Hundred Dollars ($19,800.00)).

(f) Employer-sponsored benefits are minimal for most child care staff. Even for child care providers at child care centers, the availability of health care coverage for staff remains woefully inadequate.

(g) To offer compensation that would be sufficient to attract and retain qualified child care providers, child care programs would have to charge parents fees that many parents could not afford. For programs that serve low-income children whose families qualify for federal and state child care subsidies, the reimbursement rates set by the state strongly influence the level of compensation that staff receive. Current reimbursement rates for center-based child care services and family child care services are insufficient to recruit and retain qualified child care providers and to ensure high-quality services for children.

(h) Teachers leaving the profession are being replaced by staff with less education and formal training in early child development.
(i) As a result of low wages and limited benefits, many child care providers do not work for long periods in the child care field. Approximately thirty percent (30%) of all teaching staff employed at child care centers leave employment with a child care center each year.

(j) Child care providers, as well as the children, families and businesses that depend upon the providers, suffer the consequences of inadequate compensation. This is true, with few exceptions, for providers in all types of programs, including subsidized and nonsubsidized programs, programs offered by for-profit and nonprofit entities and programs in large and small child care settings.

(k) Because of the severe nationwide shortage of qualified staff available for employment by child care programs, several other states have recently initiated programs to improve the quality of child care by increasing the training and compensation of child care providers. Those programs encourage the training, education and increased retention of qualified child care providers by offering financial incentives, including scholarships and increases in compensation, that range from Three Hundred Fifty Dollars ($350.00) to Six Thousand Five Hundred Dollars ($6,500.00) annually.

(l) Family child care providers are almost twice as likely to lack health insurance as the general population. One in four (4) child care centers does not offer health insurance benefits to employees. Even child care providers with health insurance coverage state that it is difficult to afford out-of-pocket health care expenses.

(m) In a study of lower income family child care providers without health insurance, more than half had used emergency room services for their own health care in the past year.

(2) The purposes of this act are:
(a) To establish the Child Care Provider Development and Retention Grant Program, the Child Care Provider Scholarship Program and the Healthy Early Education Workforce Grant Program; and

(b) To help children receive the high quality child care and early education the children need for positive cognitive and social development, by rewarding and promoting the retention of committed, qualified child care providers, by providing financial assistance to improve the educational qualifications of child care providers, and by providing assistance for health benefits coverage for child care providers.

SECTION 3. As used in this act:

(a) "Child care provider" means an individual who provides a service directly to a child on a person-to-person basis for compensation for:

(i) A center-based child care provider that is licensed or regulated under state law and that satisfies the state requirements applicable to the child care services provided;

(ii) A licensed or regulated family child care provider that satisfies the state requirements applicable to the child care services provided; or

(iii) An out-of-school time program that is licensed or regulated under state law and that satisfies the state requirements applicable to the child care services provided.

(b) "Department" means the Department of Human Services.

(c) "Family child care provider" means one (1) individual who provides child care services for fewer than twenty-four (24) hours per day, as the sole caregiver, and in a private residence.

SECTION 4. (1) The department shall identify all eligible child care providers in the state and notify the providers of the availability of grants and benefits under this act.
(2) The department shall develop a plan to encourage both the recruitment of qualified child care providers who are new to the child care field and the retention of qualified child care providers who have a demonstrated commitment to the child care field.

(3) The department shall make grants under Sections 5 and 6 of this act to eligible child care providers in selected geographical areas in the state in compliance with the following requirements:

   (a) For the purpose of making those grants for a fiscal year, the department shall:

      (i) Select a variety of geographical areas, determined by the department, that collectively include urban areas, suburban areas and rural areas, and are areas whose residents have diverse income levels; and

         (ii) Give special consideration to geographical areas selected under this paragraph (a) for the preceding fiscal year.

   (b) In making grants under Section 5 of this act, the department may make grants only to eligible child care providers in geographical areas selected under paragraph (a) of this subsection, but may give special consideration in those areas to eligible child care providers:

      (i) Who have attained a higher relevant educational credential;

      (ii) Who provide a specific kind of child care services;

      (iii) Who provide child care services to populations who meet specific economic characteristics; or

      (iv) Who meet such other criteria as the department may establish.
(c) The department shall ensure that grants made under Section 5 of this act to child care providers will not be used to offset reductions in the compensation of those providers.

(d) With respect to each particular geographical area selected under paragraph (a) of this subsection, the department shall, for each fiscal year:

(i) Include in the report required by Section 8 of this act, detailed information regarding:

1. The continuity of employment of the grant recipients as child care providers with the same employer;

2. With respect to each employer that employed such a grant recipient, whether the employer was accredited by a recognized national or state accrediting body during the period of employment; and

3. To the extent practicable and available to the department, the rate and frequency of employment turnover of qualified child care providers throughout that area, during the two-year period ending on the deadline for submission of applications for grants under Section 5 of this act for that fiscal year; and

(ii) Provide a follow-up report, not later than ninety (90) days after the end of the succeeding fiscal year that includes information regarding:

1. The continuity of employment of the grant recipients as child care providers with the same employer;

2. With respect to each employer that employed such a grant recipient, whether the employer was accredited by a recognized national or state accrediting body during the period of employment; and

3. To the extent practicable and available to the department, detailed information regarding the rate and frequency of employment turnover of qualified child care providers
throughout that area, during the one-year period beginning on the
date on which the grant was made under Section 5 of this act.

(4) The department shall determine the amounts of grants to
be made under Section 5 of this act in accordance with the
following requirements:

(a) The amounts of individual grants to be made under
Section 5 of this act shall be sufficient:

(i) To encourage child care providers to improve
their qualifications; and

(ii) To retain qualified child care providers in
the child care field.

(b) The grants made to eligible child care providers
who have a child development associate credential (or equivalent)
and who are employed full-time to provide child care services
shall be in an amount that is not less than One Thousand Dollars
($1,000.00) per year.

(c) The department shall make those grants in amounts
greater than One Thousand Dollars ($1,000.00) per year to eligible
child care providers who have higher levels of education than the
education required for a credential such as a child development
associate credential (or equivalent), according to the following
requirements:

(i) An eligible child care provider who has a
baccalaureate degree in the area of child development or early
child education shall receive a grant under Section 5 of this act
in an amount that is not less than twice the amount of the grant
that is made under Section 5 of this act to an eligible child care
provider who has an associate of the arts degree in the area of
child development or early child education.

(ii) An eligible child care provider who has an
associate of the arts degree in the area of child development or
eyearly child education shall receive a grant under Section 5 of
this act in an amount that is not less than one hundred fifty
percent (150%) of the amount of the grant that is made under Section 5 of this act to an eligible child care provider who has a child development associate credential (or equivalent) and is employed full-time to provide child care services.

(iii) An eligible child care provider who has a baccalaureate degree in a field other than child development or early child education shall receive a grant under Section 5 of this act in an amount equal to the amount of the grant that is made under Section 5 of this act to an eligible child care provider who has an associate of the arts degree in the area of child development or early child education. However, if an eligible child care provider who has such a baccalaureate degree obtains additional educational training in the area of child development or early child education, as specified by the department, the provider shall receive a grant under Section 5 of this act in an amount equal to the amount of the grant that is made under Section 5 of this act to an eligible child care provider who has a baccalaureate degree specified in subparagraph (i) of this paragraph (c).

(d) The state shall make a grant under Section 5 of this act to an eligible child care provider who works full-time in a greater amount than the amount of the grant that is made under Section 5 of this act to an eligible child care provider who works part-time, based on the department's definitions of full-time and part-time work.

(e) The department shall make grants under Section 5 of this act in progressively larger amounts to eligible child care providers to reflect the number of years worked as child care providers.

(5) The department shall make grants for scholarships in compliance with Section 6 of this act and shall specify the types of educational and training programs for which the scholarship
grants made under that section may be used, including only
programs that:

(a) Are administered by institutions of higher
education that are eligible to participate in student financial
assistance programs under Title IV of the Higher Education Act of
1965 (20 USCS 1070 et seq.); and

(b) Lead to a state or nationally recognized credential
in the area of child development or early child education, an
associate of the arts degree in the area of child development or
early child education, or a baccalaureate degree in the area of
child development or early child education.

(6) The department shall encourage employers of child care
providers to contribute to the attainment of education goals by
eligible child care providers who receive grants under Section 6
of this act.

(7) The funds provided to the department to carry out
Sections 5, 6 and 7 of this act shall be used only to supplement,
and not to supplant, federal, state and local funds otherwise
available to support existing services and activities (as of the
date the amounts are used) that:

(a) Encourage child care providers to improve their
qualifications and that promote the retention of qualified child
care providers in the child care field; or

(b) Provide health benefits coverage for child care
providers.

SECTION 5. (1) There is established the Child Care Provider
Development and Retention Grant Program, which shall be
administered by the department to make grants to eligible child
care providers in accordance with this section in order to improve
the qualifications and promote the retention of qualified child
care providers.

(2) To be eligible to receive a grant under this section, a
child care provider shall:
(a) Have a child development associate credential (or equivalent), an associate of the arts degree in the area of child development or early child education, a baccalaureate degree in the area of child development or early child education, or a baccalaureate degree in an unrelated field; and

(b) Be employed as a child care provider for not less than one (1) calendar year, or (if the provider is employed on the date of the eligibility determination in a child care program that operates for less than a full calendar year) the program equivalent of one (1) calendar year, ending on the date of the application for the grant, except that not more than three (3) months of education related to child development or to early child education obtained during the corresponding calendar year may be treated as employment that satisfies the requirements of this paragraph.

(3) The department shall not take into consideration whether a child care provider is receiving, may receive, or may be eligible to receive any funds or benefits under any other provision of this act for purposes of selecting eligible child care providers to receive grants under this section.

SECTION 6. (1) There is established the Child Care Provider Scholarship Program, which shall be administered by the department to make scholarship grants to eligible child care providers in accordance with this section in order to improve their educational qualifications to provide child care services.

(2) To be eligible to receive a scholarship grant under this section, a child care provider shall be employed as a child care provider for not less than one (1) calendar year, or (if the provider is employed on the date of the eligibility determination in a child care program that operates for less than a full calendar year) the program equivalent of one (1) calendar year, ending on the date of the application for the grant.
(3) For purposes of selecting eligible child care providers to receive scholarship grants under this section and determining the amounts of those grants, the department shall not:

(a) Take into consideration whether a child care provider is receiving, may receive, or may be eligible to receive any funds or benefits under any other provision of this act, or under any other federal or state law that provides funds for educational purposes; or

(b) Consider as resources of the provider any funds the provider is receiving, may receive, or may be eligible to receive under any other provision of this act, under any other federal or state law that provides funds for educational purposes, or from a private entity.

(4) The amount of a scholarship grant made under this section to an eligible child care provider shall be less than the cost of the educational or training program for which the grant is made.

(5) The maximum aggregate dollar amount of a scholarship grant made by a state to an eligible child care provider under this section in a fiscal year shall be One Thousand Five Hundred Dollars ($1,500.00).

SECTION 7. (1) There is established the Healthy Early Education Workforce Grant Program, which shall be administered by the department to provide access to affordable health benefits coverage for:

(a) Eligible child care providers; and

(b) To the extent of funds available and in the discretion of the department, the spouses and dependents of those providers.

(2) In carrying out subsection (1) of this section, the department may expend the funds available for this program for any of the following:
(a) To reimburse an employer of an eligible child care provider, or the provider, for the employer's or provider's share (or a portion of the share) of the premiums or other costs for coverage under group or individual health plans;

(b) To offset the cost of enrolling eligible child care providers in public health benefits plans, such as the Medicaid program, the Children's Health Insurance Program or public employee health benefit plans; or

(c) To otherwise subsidize the cost of health benefits coverage for eligible child care providers.

(3) The department may establish criteria to limit the child care providers who may receive benefits through the allotment.

(4) For purposes of selecting eligible child care providers to receive benefits under this section for a fiscal year, the department shall give:

(a) Highest priority to:

(i) Providers that meet any applicable criteria established in accordance with subsection (3) of this section and received that assistance during the previous fiscal year; and

(ii) To the extent of funds available and in the department's discretion, the spouses and dependents of those providers; and

(b) Second highest priority to:

(i) Providers that meet any applicable criteria established in accordance with subsection (3) of this section and are accredited by the National Association for the Education of Young Children or the National Association for Family Child Care; and

(ii) To the extent of funds available and in the department's discretion, the spouses and dependents of those providers.

SECTION 8. The department shall submit to the Legislature, not later than ninety (90) days after the end of each fiscal year.
in which the department receives funds to administer this act, a report:

(a) Specifying the uses for which the department expended those funds, and the aggregate amount of funds (including state funds) expended for each of those uses;

(b) Containing available data relating to grants made and benefits provided with those funds, including:

(i) The number of eligible child care providers who received those grants and benefits;

(ii) The amounts of those grants and benefits;

(iii) Any other information that describes or evaluates the effectiveness of this act;

(iv) The particular geographical areas selected under Section 4 of this act for the purpose of making those grants;

(v) With respect to grants made under Section 5 of this act:

1. The number of years grant recipients have been employed as child care providers;

2. The level of training and education of grant recipients;

3. To the extent practicable and available to the department, detailed information regarding the salaries and other compensation received by grant recipients to provide child care services before, during and after receiving those grants;

4. The number of children who received child care services provided by grant recipients;

5. Information on family demographics of those children;

6. The types of settings described in subparagraphs (i), (ii) and (iii) of Section 3(a) of this act in which grant recipients are employed;
7. The ages of the children who received child care services provided by grant recipients; and
(vi) With respect to grants made under Section 6 of this act:
1. The number of years grant recipients have been employed as child care providers;
2. The level of training and education of grant recipients;
3. To the extent practicable and available to the department, detailed information regarding the salaries and other compensation received by grant recipients to provide child care services before, during and after receiving those grants;
4. The types of settings described in subparagraphs (i), (ii) and (iii) of Section 3(a) of this act in which grant recipients are employed;
5. The ages of the children who received child care services provided by grant recipients;
6. The number of course credits or credentials obtained by grant recipients; and
7. The amount of time taken for completion of the educational and training programs for which those grants were made.

SECTION 9. This act shall take effect and be in force from and after July 1, 2007.