

By: Representative Fleming

To: Public Health and Human
Services

HOUSE BILL NO. 739

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

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

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

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

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

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

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

28 (d) The United States Department of Labor reports that,
29 in 2001, the average wage for a child care provider was Eight

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

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

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

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

60 (h) Teachers leaving the profession are being replaced
61 by staff with less education and formal training in early child
62 development.

63 (i) As a result of low wages and limited benefits, many
64 child care providers do not work for long periods in the child
65 care field. Approximately thirty percent (30%) of all teaching
66 staff employed at child care centers leave employment with a child
67 care center each year.

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

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

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

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

95 (2) The purposes of this act are:

96 (a) To establish the Child Care Provider Development
97 and Retention Grant Program, the Child Care Provider Scholarship
98 Program and the Healthy Early Education Workforce Grant Program;
99 and

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

107 **SECTION 3.** As used in this act:

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

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

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

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

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

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

126 **SECTION 4.** (1) The department shall identify all eligible
127 child care providers in the state and notify the providers of the
128 availability of grants and benefits under this act.

129 (2) The department shall develop a plan to encourage both
130 the recruitment of qualified child care providers who are new to
131 the child care field and the retention of qualified child care
132 providers who have a demonstrated commitment to the child care
133 field.

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

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

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

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

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

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

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

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

158 (iv) Who meet such other criteria as the
159 department may establish.

160 (c) The department shall ensure that grants made under
161 Section 5 of this act to child care providers will not be used to
162 offset reductions in the compensation of those providers.

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

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

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

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

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

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

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

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

189 3. To the extent practicable and available to
190 the department, detailed information regarding the rate and
191 frequency of employment turnover of qualified child care providers

192 throughout that area, during the one-year period beginning on the
193 date on which the grant was made under Section 5 of this act.

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

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

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

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

203 (b) The grants made to eligible child care providers
204 who have a child development associate credential (or equivalent)
205 and who are employed full-time to provide child care services
206 shall be in an amount that is not less than One Thousand Dollars
207 (\$1,000.00) per year.

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

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

221 (ii) An eligible child care provider who has an
222 associate of the arts degree in the area of child development or
223 early child education shall receive a grant under Section 5 of
224 this act in an amount that is not less than one hundred fifty

225 percent (150%) of the amount of the grant that is made under
226 Section 5 of this act to an eligible child care provider who has a
227 child development associate credential (or equivalent) and is
228 employed full-time to provide child care services.

229 (iii) An eligible child care provider who has a
230 baccalaureate degree in a field other than child development or
231 early child education shall receive a grant under Section 5 of
232 this act in an amount equal to the amount of the grant that is
233 made under Section 5 of this act to an eligible child care
234 provider who has an associate of the arts degree in the area of
235 child development or early child education. However, if an
236 eligible child care provider who has such a baccalaureate degree
237 obtains additional educational training in the area of child
238 development or early child education, as specified by the
239 department, the provider shall receive a grant under Section 5 of
240 this act in an amount equal to the amount of the grant that is
241 made under Section 5 of this act to an eligible child care
242 provider who has a baccalaureate degree specified in subparagraph
243 (i) of this paragraph (c).

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

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

254 (5) The department shall make grants for scholarships in
255 compliance with Section 6 of this act and shall specify the types
256 of educational and training programs for which the scholarship

257 grants made under that section may be used, including only
258 programs that:

259 (a) Are administered by institutions of higher
260 education that are eligible to participate in student financial
261 assistance programs under Title IV of the Higher Education Act of
262 1965 (20 USCS 1070 et seq.); and

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

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

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

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

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

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

288 (2) To be eligible to receive a grant under this section, a
289 child care provider shall:

290 (a) Have a child development associate credential (or
291 equivalent), an associate of the arts degree in the area of child
292 development or early child education, a baccalaureate degree in
293 the area of child development or early child education, or a
294 baccalaureate degree in an unrelated field; and

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

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

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

315 (2) To be eligible to receive a scholarship grant under this
316 section, a child care provider shall be employed as a child care
317 provider for not less than one (1) calendar year, or (if the
318 provider is employed on the date of the eligibility determination
319 in a child care program that operates for less than a full
320 calendar year) the program equivalent of one (1) calendar year,
321 ending on the date of the application for the grant.

322 (3) For purposes of selecting eligible child care providers
323 to receive scholarship grants under this section and determining
324 the amounts of those grants, the department shall not:

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

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

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

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

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

347 (a) Eligible child care providers; and

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

351 (2) In carrying out subsection (1) of this section, the
352 department may expend the funds available for this program for any
353 of the following:

354 (a) To reimburse an employer of an eligible child care
355 provider, or the provider, for the employer's or provider's share
356 (or a portion of the share) of the premiums or other costs for
357 coverage under group or individual health plans;

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

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

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

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

369 (a) Highest priority to:

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

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

376 (b) Second highest priority to:

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

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

385 **SECTION 8.** The department shall submit to the Legislature,
386 not later than ninety (90) days after the end of each fiscal year

387 in which the department receives funds to administer this act, a
388 report:

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

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

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

396 (ii) The amounts of those grants and benefits;

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

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

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

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

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

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

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

414 5. Information on family demographics of
415 those children;

416 6. The types of settings described in
417 subparagraphs (i), (ii) and (iii) of Section 3(a) of this act in
418 which grant recipients are employed;

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

441 **SECTION 9.** This act shall take effect and be in force from
442 and after July 1, 2005.