



EARLY CARE AND EDUCATION CONSORTIUM

BILL SUMMARY

Child Care and Development Block Grant Act of 2014 S. 1086

The Child Care and Development Block Grant (CCDBG) provides federal funding to states to provide high quality care and education for low-income children from birth to school age. CCDBG is a law that has typically been reviewed, updated and approved approximately every five years—a process known as “reauthorization.” CCDBG has not been reauthorized since 1996. For nearly two decades, CCDBG has been funded with no changes to improve the program despite a growing body of developmental brain research that can inform policy and improve early care and education experiences for children.

For the past several months, committees in both the House of Representatives and the Senate have worked to newly reauthorize CCDBG. The proposed changes to CCDBG will improve the quality of federally funded child care by strengthening basic health and safety protections for children and suggesting additional ways states can use CCDBG funds to improve the quality of child care. The bill will also revise eligibility standards, improve the mechanism for determining provider rates, hold states more accountable for the use of taxpayer dollars and help strengthen the child care workforce.

Basic Health and Safety Protections

Starting with the basics, this bill requires states that receive federal funds for child care assistance to require that all child care staff members pass a comprehensive background check. This check includes a Federal Bureau of Investigation fingerprint check as well as a search of the State criminal and sex offender registry, the State child abuse databases, the National Crime Information Center, and the National Sex Offender Registry. This bill also prohibits registered sex offenders, convicted felons, and anyone refusing to undergo a background check from employment in a CCDBG-funded program.

Quality Improvement

Currently, CCDBG includes a four percent set-aside for improvements to the quality of care (e.g. quality set-aside). This amount would increase to ten percent over five years with an additional three percent for activities related to improving infant and toddler care. Additionally, this bill more clearly defines how states can use CCDBG funds to improve the quality of child care. According to this bill, states should spend their quality set-aside funds on at least two of the following activities:

- training and professional development
- early learning and developmental guidelines

- tiered quality rating systems
- expansion and improvement of infant and toddler care
- participation in quality rating systems
- child care resource and referral services
- licensing/regulatory compliance
- program assessments
- the pursuit of accreditation by a national accrediting body
- the adoption of high-quality program standards
- carrying out other activities related to quality improvement with measurable outcomes

In addition to these mandatory changes regarding quality, Congress is asking states to make assurances in their CCDPs that they will; 1) develop or implement developmentally appropriate, research-based early learning guidelines for children from birth through entry into kindergarten, and 2) describe group size limits and child-to-provider ratios for specific age populations. For group size limits and ratios, the Secretary of Health and Human Services may offer guidance to states on these standards, but will not require/mandate ratios.

Subsidy Eligibility

In addition to clarifying what the quality set-aside can be used for, this bill makes an important change to subsidy eligibility rules that will allow children to stay in care for longer periods of time. This will result in fewer disruptions care and promote improved quality and outcomes. If this bill passes, states will be required to demonstrate that each child will receive assistance for a minimum period of 12 months before the State re-determines the eligibility of the child, regardless of a temporary change in the work status of the child's parent or a change in family income for the child's family (if that family income does not exceed 85 percent of the State median income).

Provider Payments

To help ensure that children with subsidies receive the same level of care that other children receive, Congress is also asking states to certify that payment rates for child care services are sufficient to pay for market rates for child care. States will be required to use a market rate survey in setting subsidy rates and these rates must take into consideration the cost of providing higher quality care.

Accountability

This bill revises and/or expands several requirements of the state CCDPs that will hold states accountable and result in positive, fundamental changes in child care. First, rules regarding inspections of programs funded with taxpayer dollars will be strengthened. States will be required to certify that their licensing or regulatory policies and practices for federally-funded child care providers/facilities include:

- licensed inspectors who are qualified to inspect child care providers/facilities and trained in child-related laws and regulations;

- one health, safety, and fire inspection of each child care provider and facility in the state prior to licensing; and
- at least one annual, unannounced health, safety, and fire inspection of each child care provider and facility in the state after licensing.

States will also need to ensure that they have sufficient numbers of licensing inspectors to conduct inspections on a timely basis. Congress will require that these policies and practices be in place within two years of CCDBG reauthorization. Second, states will be required to certify that they will post all monitoring and inspection reports on the Internet.

In the future, states will have to certify in their CCDPs that they have child care licensing requirements and enforcement mechanisms in place and that all child care providers receiving taxpayer dollars comply with state or local child health and safety laws. In cases where subsidies are paid to license exempt providers, states will be required to certify that these programs do not endanger the health, safety, or development of children.

Workforce Support

Given that the child care workforce is the most important factor in the quality of child care, this bill includes provisions related to workforce training. In the future, states will be required to describe how their provider training requirements promote the social, emotional, physical, and cognitive development of children. Congress is asking that these training requirements do the following things:

- provide a set of workforce and competency standards
- include an evidence-based training framework
- incorporate knowledge and application of the State's early learning and developmental guidelines, include a progression of professional development
- align with training opportunities in the State's training framework

Other Important Reforms

In addition to the important improvements already described above, this bill also includes new changes regarding parent education and children's assessments.

- **Consumer Education Information** - States must certify that they will collect and distribute consumer education information, including information about: the availability and quality of child care services; State licensing and regulatory processes; the availability of child care assistance and other programs for which families may be eligible; information on developmental screenings and related State resources and services; and information for parents about eligibility for assistance.
- **High-Stakes Assessments** – Plans must include an assurance that funds will not be used to develop or implement an assessment for children that will be used: as the sole basis for excluding providers from the program, for rewarding or sanctioning an individual provider, for assessing program effectiveness, or for denying eligibility to participate in the programs.