



SENATE BILL 20: Care for Women, Children, and Families Act - Part VII, Expanding Access to Child Care

2023-2024 General Assembly

Committee:		Date:	November 17, 2023
Introduced by:		Prepared by:	Jason Moran-Bates Staff Attorney
Analysis of:	S.L. 2023-14		

OVERVIEW: Part VII of S.L. 2023-14 requires reimbursement rates for three-, four-, and five-star rated childcare facilities to be funded at the 75th percentile of the 2021 Child Care Market Rate Study as of October 1, 2023. Funds are appropriated for this purpose. Tuition reimbursement for low-income children at private childcare facilities is decoupled from subsidized childcare market rates.

This bill was vetoed by the Governor on May 14, 2023. The veto was overridden by the General Assembly on May 16, 2023. This Part of the act became effective July 1, 2023.

CURRENT LAW: Under current law, three-, four-, and five-star childcare facilities are reimbursed at the 75th percentile according to the 2018 Child Care Market Rate Study. Private tuition rates for low-income children are reimbursed at the one-star rate or the tuition actually charged, whichever is lower.

BILL ANALYSIS: Part VII of S.L. 2023-14 continues to fund the three-, four-, and five-star childcare facility reimbursement rates at the 75th percentile of the 2018 Child Care Market Rate Study through September 30, 2023. As of October 1, 2023, reimbursement rates increase to the 75th percentile of the 2021 Child Care Market Rate Study. \$32 million in recurring funds for the 2023-24 fiscal year and \$43 million in recurring funds for the 2024-25 fiscal year are appropriated for this purpose.

Part VII also amends the reimbursement rates for childcare tuition of low-income children in private childcare facilities in S.L. 2021-180 so that the tuition is reimbursed at either the one-star rate or the rate actually charged, regardless of which is lower.

EFFECTIVE DATE: This bill was vetoed by the Governor on May 14, 2023. The veto was overridden by the General Assembly on May 16, 2023. This Part of the act became effective July 1, 2023.

Jeffrey Hudson
Director



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Legislative Analysis
Division
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