

SB 446-FN-A - AS INTRODUCED

2022 SESSION

22-3049

07/05

SENATE BILL        **446-FN-A**

AN ACT            establishing a child care workforce fund and grant program and making an appropriation therefor.

SPONSORS:        Sen. Whitley, Dist 15; Sen. Hennessey, Dist 1; Sen. Rosenwald, Dist 13; Sen. Soucy, Dist 18; Sen. Watters, Dist 4; Sen. Carson, Dist 14; Sen. Kahn, Dist 10; Sen. Cavanaugh, Dist 16; Sen. Sherman, Dist 24; Sen. Perkins Kwoka, Dist 21; Sen. Prentiss, Dist 5; Sen. D'Allesandro, Dist 20; Rep. Wallner, Merr. 10; Rep. McWilliams, Merr. 27; Rep. Rombeau, Hills. 7

COMMITTEE:      Health and Human Services

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ANALYSIS

This bill establishes a child care workforce fund to provide grants to eligible child care programs for child care workforce recruitment and retention bonuses and benefits. The bill makes an appropriation to the fund for the purpose of establishing and administering the grant program.

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Explanation:      Matter added to current law appears in ***bold italics***.  
Matter removed from current law appears ~~[in brackets and struckthrough.]~~  
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Twenty Two*

AN ACT                    establishing a child care workforce fund and grant program and making an appropriation therefor.

*Be it Enacted by the Senate and House of Representatives in General Court convened:*

1            1 Short Title. This act shall be known as the "Child Care: the Workforce Behind the Workforce  
2 Act of 2022."

3            2 Statement of Findings and Purpose.

4            I. Industries rely on a stable and qualified workforce. Many industries in the granite state  
5 are struggling to recruit and retain their workforce in these unprecedented times. Child care  
6 businesses are no different. What is different is that the child care industry employs the workforce  
7 behind the workforce, allowing employees from other industries to be and stay on the job. When  
8 child care businesses cannot recruit and retain employees, classrooms and programs close down,  
9 resulting in fewer child care spaces for the children of New Hampshire's labor force, resulting in  
10 employees having to resign or turn down job offers across all industries.

11            II. The child care industry is also unique in its dual role of supporting the workforce of today  
12 while preparing the workforce of tomorrow.

13            III. Another unique aspect of the child care workforce is that young children in their care  
14 often experience turnover as loss when their beloved teacher leaves. The legislature should do all it  
15 can to ensure that does not happen too often in the life of a child.

16            IV. In May 2021, the director of the New Hampshire economic and labor market information  
17 bureau reported that "increasing the labor force participation rate of women ages 25-54 by just 1.3  
18 percent (10,000) through increased access to child care would add over \$1 billion to New  
19 Hampshire's gross domestic product by 2031 and over \$1.5 billion in personal income."

20            V. In May 2020, the bipartisan legislative advisory board of governor's office for emergency  
21 relief and recovery stated, "as we begin reopening our economy, the biggest impediment to getting  
22 people back to work is access to safe, reliable, and affordable childcare."

23            VI. Addressing the current child care workforce shortage is key to New Hampshire's  
24 economic recovery from the COVID-19 pandemic and will provide critical infrastructure for parents  
25 to work or to pursue training or education while their child is in an affordable, safe, nurturing and  
26 educationally-enriching environment.

27            VII. The purpose of this act is to advance solutions to stabilize New Hampshire's child care  
28 workforce, which benefits all industries, working families, and the children and youth in their care.

29            3 New Section; Child Care Workforce Fund. Amend RSA 126-A by inserting after section 17-a  
30 the following new section:

1           126-A:17-b Child Care Workforce Fund and Child Care Workforce Recruitment and Retention  
2 Bonus and Benefit Program Established.

3           I. There is hereby established a child care workforce fund to finance recruitment and  
4 retention bonus and benefit grants for eligible New Hampshire child care employers. The fund shall  
5 be non-lapsing and continually appropriated to the department of health and human services for the  
6 purposes of this section. The state treasurer shall invest the moneys deposited in the fund as  
7 provided by law. Interest earned on moneys deposited in the fund shall be deposited into the fund.

8           II. The department of health and human services, in consultation with the advisory council  
9 on child care established in RSA 126-A:17 and the governor's council for thriving children as  
10 established in executive order 2020-03, shall designate an entity to administer grants to eligible New  
11 Hampshire child care employers and to manage and implement the recruitment and retention bonus  
12 and benefit program. The designated entity may be a relevant state agency which oversees child  
13 care, the workforce, or economic development, or an organization designated as a 501(c)(3) by the  
14 Internal Revenue Code with its primary business location in New Hampshire and a demonstrated  
15 history of disbursing funds to New Hampshire child care programs.

16           III. Ten percent of the annually allocated funds shall be used to cover the personnel,  
17 indirect, and other costs to administer the program. The remainder of the funds shall be used to  
18 provide grants to eligible child care programs.

19           IV. Grants shall be awarded as follows:

20           (a) All licensed and license exempt child care programs in New Hampshire shall receive  
21 ongoing, free access to the State Early Learning Alliance of New Hampshire web platform.

22           (b) All grantees shall deliver workforce bonuses and benefits on the following schedule:

23           (1) For new employees, a sign-on bonus of \$250, distributed after one month of  
24 employment;

25           (2) For new employees who continue with their employment, a retention bonus of  
26 \$100, distributed at fiscal quarters 2, 3, and 4 of the first year of employment, totaling \$300.

27           (3) For current employees who have been continuously employed for 1 to 4 years, a  
28 retention bonus of \$200 per quarter, totaling \$800 annually, after the completion of the next 4  
29 quarters of continuous employment.

30           (4) For current employees who have been continuously employed for 5 or more years,  
31 a retention bonus of \$300 per quarter, totaling \$1200 annually, after the completion of the next 4  
32 quarters of continuous employment.

33           (c) All grants shall include an additional sum that represents 10 percent of sign-on and  
34 retention bonuses to cover the indirect costs to the grantee.

35           (d) In addition to the sign-on and retention bonuses in subparagraph (b), grantees who  
36 are enrolled in, or preparing to enroll in, the department of health and human services' granite steps  
37 for quality system shall also be eligible for the following supplemental benefits:

1 (1) A supplemental benefit of \$500 per eligible employee in one of the following  
2 forms, of the employee's choosing:

3 (A) Deposit into an eligible, tax-advantaged health savings account or flexible  
4 spending account;

5 (B) Credit towards the employee's share of the cost of their health insurance  
6 plan;

7 (C) Paid time off equivalent;

8 (D) Child care tuition discount;

9 (E) Student loan repayment;

10 (F) Telemedicine coverage;

11 (G) Payment towards a physical, first-aid certification, CPR certification,  
12 background check, or other credential required for the child care position;

13 (H) Professional development costs;

14 (I) NHAEYC membership fees; or

15 (J) An additional retention bonus payment.

16 (2) The cost of a yearly membership to the State Early Learning Alliance of New  
17 Hampshire for the grantee organization for 2 years, not more than \$2100 total per center-based  
18 program, and not more than \$700 per family-based program. The membership for eligible programs  
19 shall be covered in full for the first year and 50 percent in the second year if all program eligibility  
20 criteria are met.

21 V. Eligibility for a grant from the child care workforce fund shall be as follows:

22 (a) Eligible child care programs shall be:

23 (1) Child care programs operating in New Hampshire with an active child care  
24 license or that are license-exempt and enrolled in the department of health and human services child  
25 care scholarship program. These programs shall include those who serve children from infant  
26 through age 12 and are also referred to as center-based, family-based, early childhood education,  
27 early learning, outside of school time, before and after school, and summer camp programs; and

28 (2) Non-profit and privately-owned center-based and family-based child care  
29 programs.

30 (b) If grant application requests exceed available funding, preference shall be given to  
31 eligible child care programs which are:

32 (1) Enrolled in New Hampshire's child care scholarship program; and

33 (2) Connected to the work of their related early childhood regional network, as  
34 determined by the department.

35 (c) Child care programs enrolled in or in preparation to enroll in the granite steps for  
36 quality system are eligible for the additional benefits described in subparagraph IV(d) in recognition  
37 of their extra effort and commitment to continuous quality improvement.

**SB 446-FN-A - AS INTRODUCED**

**- Page 4 -**

1 VI. The department of health and human services shall adopt rules under RSA 541-A  
2 relative to the duties of the entity designated in paragraph II of this section.

3 VII. The department of health and human services shall incorporate in its biennial  
4 appropriation request pursuant to RSA 9:4 an amount necessary to fully fund the child care  
5 workforce fund grant program established in this section.

6 4 New Subparagraph; Dedicated Fund. Amend RSA 6:12, I(b) by inserting after subparagraph  
7 (382) the following new subparagraph:

8 (383) Moneys deposited in the child care workforce fund as established in RSA 126-  
9 A:17-b, I.

10 5 Appropriation. The sum of \$8,950,700 for the fiscal year ending June 30, 2023 is hereby  
11 appropriated to the department of health and human services for the purpose of the administration,  
12 management, and implementation of child care workforce fund. The governor shall determine if any  
13 discretionary funds appropriated in the American Rescue Plan Act of 2021, Public Law 117-2, or any  
14 other federal funds, can be used for this purpose, and the department shall use such federal funds  
15 for this purpose. Any remainder shall be appropriated from the general fund. The governor is  
16 authorized to draw a warrant for the general fund portion of such sum from any money in the  
17 treasury not otherwise appropriated.

18 6 Effective Date. This act shall take effect July 1, 2022.

**SB 446-FN-A- FISCAL NOTE  
 AS INTRODUCED**

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**FISCAL IMPACT:**     State             County             Local             None

STATE:	Estimated Increase / (Decrease)			
	FY 2022	FY 2023	FY 2024	FY 2025
<b>Appropriation</b>	\$0	\$8,950,700	\$0	\$0
<b>Revenue</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>	\$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
<b>Funding Source:</b>	<input checked="" type="checkbox"/> General	<input type="checkbox"/> Education	<input type="checkbox"/> Highway	<input type="checkbox"/> Other

**METHODOLOGY:**

This bill establishes a child care workforce fund, to be administered by the Department of Health and Human Services, dedicated to financing recruitment and retention bonuses and benefits for eligible NH child care employers. The fund is to be nonlapsing and continually appropriated, and the bill makes an appropriation of \$8,950,700 in FY23. To the extent such funds are available, the appropriation is to be made from federal American Rescue Plan Act (ARPA) funds, with the remainder appropriated from the state general fund. The bill allows for 10 percent of the annually allocated funds to be used for the cost of program administration, with the remainder used to provide grants to eligible child care programs. The Department did not provide information on the expected cost of program administration.

**AGENCIES CONTACTED:**

Department of Health and Human Services