Testimony Re: S-282 Relating to Child Care State Subsidies

Senate Finance Committee
May 28, 2019
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Rhode Island KIDS COUNT strongly supports Senator Crowley’s bill S-282 to increase the tiered rates for preschoolers (children ages 3 to 5) in the Child Care Assistance Program and establish and increase tiered quality rates for school-age children (ages 6 to 12) to meet the federal benchmark for access to quality child care.

Last year, the General Assembly took a significant step forward by increasing and establishing tiered quality rates for child care centers serving children under age 6, funded with $3.6 million in federal resources available through the Child Care and Development Block Grant.

In July 2018, child care centers serving infants received up to a 33% increase in rates and centers serving preschoolers received up to a 21% increase in rates. The rate for infants and toddlers in 5-star centers now meets the federal benchmark for equal access to quality, the 75th percentile of the 2018 market rate study.

However, rates for preschool children in centers still do not meet the federal benchmark. CCAP rates for preschool children in 5-star centers are currently $195.67/week while the federal benchmark for equal access to quality is $230.00/week. The Governor’s proposal will get programs closer to the federal benchmark with almost a $20/week increase to get the rates to $215/week for children in 5-star programs, but larger increases are needed to reach the federal benchmark of $230/week.

In addition, rates for school-age children in the CCAP program are completely inadequate and a 36% increase in weekly rates is required to meet the federal benchmark for children in high-quality programs (an increase of $52.49 per week).

![Chart showing current CCAP rates for 5 star programs vs. federal benchmark rates for access to quality programs.](chart.png)
We strongly agree with the Governor Raimondo’s proposal to remove the requirement inserted during Governor Carcieri’s administration which prohibits state payment rates that exceed fees charged to private paying families. This requirement means that programs must raise the fees for all families in order to pull in the higher payments from the state to support quality.

We also agree with the Governor’s proposal in Article 15 to establish and increase tiered quality rates for family child care providers serving children under age six in the Child Care Assistance Program. We recommend these rates also be adjusted to include school-age children and meet the federal benchmark for access to quality.

The BrightStars Quality Rating and Improvement System has been designed to fairly and accurately measure the quality of child care and early learning programs. Programs are making progress, but children in the Child Care Assistance Program continue to have inadequate access to high-quality child care largely because the state rates need to incentivize and support high-quality programs.

As of January 2018, there were 80 licensed child care programs with a high-quality (4 or 5 stars) rating:
- 65 licensed early learning centers (some also serve school-age kids) – 21% of licensed programs
- 5 family child care homes – 1% of licensed programs
- 10 independent school-age child care programs (e.g. programs without younger children present in the building) – 10% of licensed programs

Children in the Child Care Assistance Program do not have adequate access to high-quality programs with only 8% of infants and toddlers, 12% of preschoolers, and 9% of school-age children enrolled in a high-quality program.

We urge passage of this bill and restoration of state funding to promote access to high-quality child care. Thank you for this opportunity to testify.