



RHODE ISLAND KIDS COUNT
ONE UNION STATION
PROVIDENCE, RHODE ISLAND 02903
401/351-9400 • 401/351-1758 (FAX)

Testimony Re: S-2681,
Child Care is Essential Act
Senate Education Committee
March 30, 2022
Leanne Barrett, Senior Policy Analyst



Rhode Island KIDS COUNT coordinates the Right from the Start Campaign, a state policy coalition led by eight organizations to advance state policies and budget priorities that will help families with young children.

Both Rhode Island KIDS COUNT and the Right from the Start Campaign strongly **support Senator Cano's Child Care is Essential Act, S-2681.**

Families across the state are struggling to find and pay for quality child care so they can work and child care programs are struggling to offer competitive wages so they can find and keep skilled educators.

In December 2021, there were 6,110 children receiving child care assistance in Rhode Island, the lowest number in at least 20 years. The number of subsidies is down 42% from 10,580 in December 2019 and down 57% from 14,333 in December 2002.

In January 2022, the pandemic rates for the Child Care Assistance Program expired which meant **that rates were cut for 8 out of 10 infants, toddlers, and school-age children in the program.** The current CCAP rates do not meet the federal equal access standard, which was a standard the General Assembly adopted in 1998 and then repealed in 2008.

The General Assembly helped last year by extending the pandemic rates through December 2021 with the January 2022 rates providing increases to some programs, depending on the age and quality of care. See the attached rate table for more details. **A permanent cap on family copayments also passed and this will help in the long-term** so that no family receiving child care assistance will have to pay more than the federal affordability standard – 7% of family income.

However, families are still struggling. The state has been covering 100% of family copayments for 12 months and, **starting next week, the Department of Human Services will reduce payments made to providers for about half of the children, as they restore family copayments for the program.**

Senator Cano's Rhode Island Child Care is Essential Act:

- Moves the Child Care Assistance Program out from under RI Works and the cash assistance model. **It creates a new state law recognizing that high-quality child care is essential for parents to work, for the state to have a strong economy, and to promote children's healthy development and learning.** It recognizes that 9 out of 10 working families need some financial help to afford the cost of high-quality child care.

- Increases tiered quality rates for the Child Care Assistance Program so that the rates **for all ages of children in all settings meet or exceed the federal equal access standard** (75th percentile of the 2021 Rhode Island Child Care Market Rate Survey). The rates are tiered to help promote access to high-quality care, with incremental rate increases for each quality level, and 5-star programs paid at or above the 90th percentile of the 2021 Market Rate Survey.
- **Allows more working families to qualify for the Child Care Assistance Program** by raising the family income limits to qualify for the Child Care Assistance Program to 266% of the federal poverty level (\$61,260 for a family of 3) and raises the “exit” income limit to 400% of the federal poverty level (\$92,120 for a family of 3). These are the same family income levels that receive some support to have health insurance.
- **Delinks Child Support Enforcement from the Child Care Assistance Program.** Rhode Island would join 37 other states by not requiring families to establish paternity/parentage or seek child support to qualify for a child care subsidy. The state child support enforcement office would remain available as an option for families who want and need this help.
- Requires the state to **adopt improved child care payment practices that are generally accepted by programs in the private market.** This is also required under the 2014 federal Child Care and Development Block Grant Act.
- Remove the sunset provision for the pilot program which **makes low-income colleges students eligible for the Child Care Assistance Program.**
- Requires a plan to **strengthen child care programs so they will be prepared to successfully compete for any new preschool expansion funding.** The plan would include strategies to maintain and expand access to high-quality care for infants and toddlers and to implement staffed family child care networks.

Thank you for this opportunity to provide testimony. We applaud Rep. Diaz’s leadership on the Permanent Legislative Commission on Child Care and her persistence in working to restore and expand Rhode Island’s commitment to meeting the needs of working families and to strengthening our state’s child care and early learning system.

| Type of Care/Age Group | CCAP Rates 5/31/20 | CCAP Pandemic Rates 6/2/20 - 12/31/21 | CCAP Rates Effective 1/1/22 | CCAP Rates Proposed by Gov. McKee for FY23 | CCAP Rates in 2022 Child Care is Essential Bill (Diaz, Cano) |
|----------------------------|--------------------|---------------------------------------|-----------------------------|--|--|
| Center: Infants & Toddlers | | | | | |
| 1 star | \$198.48 | \$257.54 | \$236.36 | \$260 | \$281 (75 th 2021 MRS) |
| 2 star | \$203.32 | \$257.54 | \$244.88 | \$265 | \$294 |
| 3 star | \$218.81 | \$257.54 | \$257.15 | \$270 | \$308 |
| 4 star | \$232.37 | \$257.54 | \$268.74 | \$289 | \$322 |
| 5 star | \$257.54 | \$273.00 | \$284.39 | \$300 | \$335 (90 th 2021 MRS) |
| Center: Preschoolers | | | | | |
| 1 star | \$165.75 | \$195.67 | \$207.51 | \$217 | \$250 (75 th 2021 MRS) |
| 2 star | \$169.80 | \$195.67 | \$212.27 | \$220 | \$257 |
| 3 star | \$177.88 | \$195.67 | \$218.45 | \$225 | \$265 |
| 4 star | \$182.73 | \$195.67 | \$223.50 | \$250 | \$273 |
| 5 star | \$195.67 | \$260.00 | \$231.39 | \$260 | \$280 (90 th 2021 MRS) |
| Center: School-Age Kids | | | | | |
| 1 star | \$146.26 | \$200.00 | \$180.38 | \$188 | \$238 (75 th 2021 MRS) |
| 2 star | \$146.26 | \$200.00 | \$182.77 | \$196 | \$241 |
| 3 star | \$146.26 | \$200.00 | \$185.17 | \$200 | \$244 |
| 4 star | \$146.26 | \$200.00 | \$187.57 | \$205 | \$247 |
| 5 star | \$146.26 | \$245.00 | \$189.97 | \$210 | \$250 (90 th 2021 MRS) |
| FCC: Infants & Toddlers | | | | | |
| 1 star | \$188.59 | \$224.43 | \$188.59 | N/A* | \$250 (75 th 2021 MRS) |
| 2 star | \$190.47 | \$224.43 | \$190.47 | N/A* | \$254 |
| 3 star | \$201.79 | \$224.43 | \$201.79 | N/A* | \$257 |
| 4 star | \$207.45 | \$224.43 | \$207.45 | N/A* | \$260 |
| 5 star | \$224.43 | \$224.43 | \$224.43 | N/A* | \$263 (90 th 2021 MRS) |
| FCC: Preschoolers | | | | | |
| 1 star | \$171.45 | \$171.45 | \$171.45 | N/A* | \$239 (75 th 2021 MRS) |
| 2 star | \$171.45 | \$171.45 | \$171.45 | N/A* | \$241 |
| 3 star | \$171.45 | \$171.45 | \$171.45 | N/A* | \$244 |
| 4 star | \$171.45 | \$171.45 | \$171.45 | N/A* | \$247 |
| 5 star | \$171.45 | \$171.45 | \$171.45 | N/A* | \$250 (90 th 2021 MRS) |
| FCC: School-Age Kids | | | | | |
| 1 star | \$162.30 | \$162.30 | \$162.30 | N/A* | \$200 (75 th 2021 MRS) |
| 2 star | \$162.30 | \$162.30 | \$162.30 | N/A* | \$212 |
| 3 star | \$162.30 | \$162.30 | \$162.30 | N/A* | \$225 |
| 4 star | \$162.30 | \$162.30 | \$162.30 | N/A* | \$238 |
| 5 star | \$162.30 | \$162.30 | \$162.30 | N/A* | \$251 (90 th 2021 MRS) |

* Governor's FY23 proposed budget states that family child rates will be determined through collective bargaining.