

SENATE HEALTH, HUMAN SERVICES AND SENIOR
CITIZENS COMMITTEE

STATEMENT TO

SENATE, No. 2465

STATE OF NEW JERSEY

DATED: OCTOBER 31, 2022

The Senate Health, Human Services and Senior Citizens Committee reports favorably Senate Bill No. 2465.

This bill permits registered family child care providers that participate in the State's subsidized child care assistance program and in the Grow NJ Kids program to receive enhanced payments under the tiered, quality-based reimbursement system for child care providers, as established pursuant to the Grow NJ Kids program. The bill additionally requires the Commissioner of Human Services to increase state subsidies paid to family child care providers that participate in the Grow NJ Kids program, based upon the quality rating of the provider, by the same percentage as the subsidy increase paid to center-based child care providers with the same Grow NJ Kids quality rating.

Grow NJ Kids is the State's quality rating and improvement initiative for child care and early learning programs, which reimburses child care providers based on objective quality measures. State-licensed child care centers, school- or center-based preschool programs, Head Start programs, and registered family child care providers may request to be evaluated and rated by Grow NJ Kids, based on the quality of child care services provided for infants, toddlers and preschoolers. Based upon the outcome of this quality review, the Grow NJ Kids program may award the provider a three, four, or five-star rating.

New Jersey's subsidized child care assistance program currently pays a higher rate to child care centers, Head Start programs, and school- or center-based preschool programs that have a Grow NJ Kids three, four, or five star rating. In calendar year 2021, tiered incentive payments under the program ranged from five percent to 20 percent above the base rate, depending upon the age of the child receiving care and the facility's star rating. Although family child care providers can request a Grow NJ Kids evaluation, these providers are currently ineligible for the program's enhanced payments to providers earning a three, four, or five-star rating. This bill would allow family child care providers to receive enhanced payments on the same basis as enhanced payments are provided to other child care providers, based on their Grow NJ Kids ratings.