AM1275 LB547 MHF - 04/16/2015

## AMENDMENTS TO LB547

(Amendments to Standing Committee amendments, AM785)

Introduced by Campbell, 25.

Strike the original sections and all amendments thereto and
 insert the following new sections:

3 Section 1. Section 43-2621, Reissue Revised Statutes of Nebraska, is
4 amended to read:

5 43-2621 <u>(1)</u> Funds provided to the State of Nebraska pursuant to the 6 Child Care and Development Block Grant Act of 1990<u>, 42 U.S.C. 9857 et</u> 7 <u>seq., as such act and sections existed on January 1, 2015</u>, shall be used 8 to implement the Quality Child Care Act<u>, except as provided in</u> 9 <u>subsections (3) and (4) of this section</u>.

10 (2) The Legislature finds that the reservations and allocations 11 contained in subsections (3) and (4) of this section are made pursuant to 12 the 2014 reauthorization of such federal act. The Legislature also finds 13 that such reservations and allocations are designed to improve the 14 quality of child care services and increase parental options for, and 15 access to, high-quality child care and are in alignment with its 16 comprehensive system of child care and early education programs.

17 (3)(a)(i) Beginning October 1, 2015, the Department of Health and 18 Human Services shall increase its reservation of federal funds received 19 from the child care and development block grant under such federal act 20 from four percent to seven percent for activities relating to the quality 21 of child care services.

22 (ii) Beginning October 1, 2017, the department shall increase its 23 reservation of federal funds received from such block grant from seven 24 percent to eight percent for activities relating to the quality of child 25 care services.

26 (iii) Beginning October 1, 2019, the department shall increase its

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1 reservation of federal funds received from such block grant from eight 2 percent to nine percent for activities relating to the quality of child 3 care services.

(b) In addition to the percentages reserved in subdivision (3)(a) of
this section for activities relating to the quality of child care
services, beginning October 1, 2016, the department shall reserve three
percent of the federal funds received from such block grant for
activities relating to the quality of care for infants and toddlers.

9 <u>(4)(a)(i) Beginning October 1, 2015, the increase from four percent</u> 10 <u>to seven percent in reservation of federal funds for activities relating</u> 11 <u>to the quality of child care services described in subdivision (3)(a)(i)</u> 12 <u>of this section shall be allocated for quality rating and improvement</u> 13 <u>system incentives and support under the Step Up to Quality Child Care</u> 14 <u>Act.</u>

15 (ii) Beginning October 1, 2017, the increase from seven to eight 16 percent in the reservation of federal funds for activities relating to 17 the quality of child care services described in subdivision (3)(a)(ii) of 18 this section, plus the percentage allocated as described in subdivision 19 (4)(a)(i) of this section, which together total four percent, shall be 20 allocated for quality rating and improvement system incentives and 21 support under the Step Up to Quality Child Care Act.

(iii) Beginning October 1, 2019, the increase from eight percent to
nine percent in the reservation of federal funds for activities relating
to the quality of child care services described in subdivision (3)(a)
(iii) of this section, plus the percentage allocated as described in
subdivision (4)(a)(ii) of this section, which together total five
percent, shall be allocated for quality rating and improvement system
incentives and support under the Step Up to Quality Child Care Act.

(iv) After the federal fiscal year beginning on October 1, 2019,
 five percent of federal funds provided to the State of Nebraska pursuant
 to the Child Care and Development Block Grant Act of 1990, 42 U.S.C. 9857

1 et seq., as such act and sections existed on January 1, 2015, which have 2 been reserved for activities relating to the quality of child care 3 services as described in subdivision (3)(a)(iii) of this section, shall 4 be allocated for quality rating and improvement system incentives and 5 support under the Step Up to Quality Child Care Act.

6 (b) Beginning October 1, 2016, the three-percent reservation of 7 federal funds for activities relating to the quality of care for infants 8 and toddlers described in subdivision (3)(b) of this section shall be 9 allocated for providing grants to programs described in section 10 79-1104.02 that enter into agreements with child care providers.

11 (c) Funds distributed pursuant to this subsection shall comply with 12 federal regulations contained in 45 C.F.R. 98.11, as such regulations 13 existed on January 1, 2015.

(d) Nothing in this section shall prohibit the Department of Health
 and Human Services from allocating additional percentages of the child
 care and development block grant or other dollar amounts for activities
 relating to the quality of child care services or the quality of care for
 infants and toddlers.

Sec. 2. Section 79-1104.02, Reissue Revised Statutes of Nebraska, isamended to read:

21 79-1104.02 (1) The Early Childhood Education Endowment Cash Fund, 22 consisting of the interest, earnings, and proceeds from the Early 23 Childhood Education Endowment Fund and the earnings from the private 24 endowment created by the endowment provider, funds transferred from the Education Innovation Fund pursuant to section 9-812, and any additional 25 26 private donations made directly thereto, shall be used exclusively to 27 provide funds for the Early Childhood Education Grant Program for at-risk children from birth to age three as set forth in this section. 28

(2) Grants provided by this section shall be to school districts and
cooperatives of school districts for early childhood education programs
for at-risk children from birth to age three, as determined by the board

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of trustees pursuant to criteria set forth by the board of trustees.
 School districts and cooperatives of school districts may establish
 agreements with other public and private entities to provide services or
 operate programs.

5 (3) Each program selected for a grant pursuant to this section may 6 be provided a grant for up to one-half of the total budget of such 7 program per year. Programs selected for grant awards may receive 8 continuation grants subject to the availability of funding and the 9 submission of a continuation plan which meets the requirements of the 10 board of trustees.

(4) Programs shall be funded across the state and in urban and ruralareas to the fullest extent possible.

(5) Each program selected for a grant pursuant to this section shall 13 14 meet the requirements described in subsection (2) of section 79-1103, 15 except that the periodic evaluations of the program are to be specified by the board of trustees and the programs need not include continuity 16 17 with programs in kindergarten and elementary grades and need not include instructional hours that are similar to or less than the instructional 18 hours for kindergarten. The programs may continue to serve at-risk 19 20 children who turn three years of age during the program year until the 21 end of the program year, as specified by the board of trustees.

22 (6) The board of trustees may issue grants to early childhood 23 education programs entering into agreements pursuant to subsection (2) of 24 this section with child care providers, if the child care provider enrolls in the quality rating and improvement system described in the 25 26 Step Up to Quality Child Care Act prior to the beginning of the initial 27 grant period. Child care providers shall participate in training approved by the Early Childhood Training Center which is needed for participation 28 29 or advancement in the quality rating and improvement system.

30 <u>(7) The board of trustees shall require child care providers in</u> 31 programs receiving grants under this section to obtain a step three

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1 rating or higher on the quality scale described in section 71-1956 within 2 three years of the starting date of the initial grant period to continue 3 funding the program. The board of trustees shall require the child care 4 provider to maintain a step three rating or higher on such quality scale 5 after three years from the starting date of the initial grant period to 6 continue funding the program.

7 (8) If a child care provider fails to achieve or maintain a step 8 three rating or higher on the quality scale described in such section 9 after three years from the starting date of the initial grant period, the 10 child care provider shall obtain and maintain the step three rating on 11 such quality scale before any new or continuing grants may be issued for 12 programs in which such child care provider participates.

(9) Any school district entering into agreements pursuant to
 subsection (2) of this section with child care providers must employ or
 contract with, either directly or indirectly, a program coordinator
 holding a certificate as defined in section 79-807.

17  $(\underline{10} \ 6)$  Up to ten percent of the total amount deposited in the Early 18 Childhood Education Endowment Cash Fund each fiscal year may be reserved 19 by the board of trustees for evaluation and technical assistance for the 20 Early Childhood Education Grant Program with respect to programs for at-21 risk children from birth to age three.

22 Sec. 3. Original sections 43-2621 and 79-1104.02, Reissue Revised 23 Statutes of Nebraska, are repealed.

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