## [First Reprint]

## ASSEMBLY, No. 5863

# STATE OF NEW JERSEY

### 219th LEGISLATURE

INTRODUCED JUNE 9, 2021

Sponsored by:

Assemblywoman LISA SWAIN

**District 38 (Bergen and Passaic)** 

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District 29 (Essex)

Assemblyman CRAIG J. COUGHLIN

**District 19 (Middlesex)** 

#### **Co-Sponsored by:**

Assemblywomen Vainieri Huttle, Jimenez, Murphy, Dunn, Jasey, Timberlake, Lopez and Assemblyman Armato

#### **SYNOPSIS**

Establishes child care revitalization fund in Department of Community Affairs; appropriates \$100,000,000.

#### **CURRENT VERSION OF TEXT**

As reported by the Assembly Budget Committee on June 22, 2021, with amendments.

(Sponsorship Updated As Of: 6/24/2021)

AN ACT establishing a child care revitalization fund, appropriating \$100,000,000, and supplementing Title 30 of the New Jersey Statutes.

**BE IT ENACTED** by the Senate and General Assembly of the State of New Jersey:

- <sup>1</sup>[1. The Legislature finds and declares that:
- a. Working mothers in New Jersey and across the nation have been disparately affected by child care and school closures during the coronavirus 2019 (COVID-19) pandemic.
- b. According to the United States Census Bureau, 1.6 million fewer women with school-aged children were actively working in January 2021, when compared with January 2020.
- c. A Kaiser family Foundation survey conducted in late 2020 found that 30 percent of working mothers interviewed had taken time off from work due to child care or school closures.
- d. Without access to affordable, high-quality child care, New Jersey's working mothers will continue to face the difficult choice between caring for their young children and their careers.
- e. Fully-operating schools and licensed child care providers are critical to the New Jersey's reopening plan, as well as the State's economic recovery from the COVID-19 pandemic.
- f. Too many licensed child care providers have been unable to re-open following pandemic-related closures, due to high operating costs and reduced capacity required to slow the spread of COVID-19.
- g. It is in the public interest for the Legislature to create a fund to address the critical child care and economic issues faced by the State's working families and licensed child care providers.  $\mathbf{I}^1$

- <sup>1</sup>[2.a. There is created within the Department of Children and Families a dedicated, non-lapsing fund to be known as the Child Care Revitalization Fund for the purpose of supporting child care providers, licensed pursuant to P.L.1983, c.492 (C.30:5B-1 et seq.), who were severely impacted by high operating costs and reduced capacity required to mitigate the health impact of the coronavirus 2019 (COVID-19) pandemic.
- b. The Commissioner of the Department of Children and Families, in consultation with the Commissioner of Human Services and the Chief Executive of the Economic Development Authority, shall establish processes by which licensed child care providers may submit, through an online portal, applications for assistance through the fund, and by which the allocation of resources from the fund may be prioritized.

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

<sup>&</sup>lt;sup>1</sup>Assembly ABU committee amendments adopted June 22, 2021.

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- c. Authorized allocations from the fund are to be disbursed to licensed child care providers within 21 days of the department's receipt of a qualifying application, as submitted by a provider through the online portal established pursuant to this act, prior to September 1, 2021.
  - d. The commissioner, pursuant to the "Administrative Procedure Act" P.L.1968, c.410 (C.52:14B-1 et seq.), shall adopt such rules and regulations as necessary to implement the provisions of this act. ]<sup>1</sup>

<sup>1</sup>[3. There is appropriated \$100,000,000 from the General Fund to the Department of Children and Families to effectuate the purposes of this act.]<sup>1</sup>

- <sup>1</sup>1. a. There is appropriated to the Division of Disaster Recovery and Mitigation in the Department of Community Affairs \$15,500,000 in federal funds allocated to the State from the federal "Coronavirus State Fiscal Recovery Fund" established pursuant to the federal "American Rescue Plan Act", Pub.L.117-2, and such amounts shall be made available to the Department of Children and Families to create workforce development supports and conduct a child care landscape study, and of such amounts, not more than 2.5 percent, subject to the division's ultimate review and approval, shall be utilized by the Department of Children and Families for organizational, administrative and other work and services, including salaries, equipment, services, and materials necessary to administer the activities authorized by this subsection. The Department of Children and Families shall enter into a memorandum of understanding or grant agreement, as applicable, with the division to effectuate the purposes of this subsection, to establish appropriate administrative costs, and to ensure compliance with federal rules and guidance, including with respect to the "American Rescue Plan Act," Pub.L.117-2.
  - b. The division shall be the State's grant manager for federal "Coronavirus State Fiscal Recovery Funds," and is responsible for ensuring compliance with all applicable federal rules and regulations for this act, including, but not limited to, submitting all required reporting and documentation to the United States Department of the Treasury in accordance with federal rules, including with respect to the "American Rescue Plan Act," Pub.L.117-2. As the State's grant manager for federal "Coronavirus State Fiscal Recovery Funds," the division shall require funds for organizational, administrative, and other work and services, including salaries, services, equipment, and materials necessary to administer the applicable provisions of this act.
  - c. Notwithstanding the provisions of subsection a. of this section to the contrary, the division may transfer the uncommitted balance of any funds made available pursuant to this section for any use authorized under this act. The division shall submit notice to the

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Joint Budget Oversight Committee no less than five calendar days before the date of the transfer. The notice shall indicate the amount of the transferred funds and the purpose for which the funds are transferred.<sup>1</sup>

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- 6 <sup>1</sup>2. a. There is appropriated to the Division of Disaster Recovery 7 and Mitigation in the Department of Community Affairs \$54,500,000 8 in federal funds allocated to the State from the federal "Coronavirus 9 State Fiscal Recovery Fund" established pursuant to the federal 10 "American Rescue Plan Act", Pub.L.117-2, and such amounts shall be 11 made available to the New Jersey Economic Development Authority 12 for the purpose of providing technical assistance to licensed child care 13 providers, registered family child care homes and grants to child care 14 providers for facilities improvements which grants shall be allocated, 15 on a rolling basis, to licensed child care providers, registered family 16 child care homes, and child care providers, and of such amounts, not 17 more than 2.5 percent, subject to the division's ultimate review and 18 approval, shall be utilized by the New Jersey Economic Development 19 Authority for organizational, administrative and other work and 20 services, including salaries, equipment, services, and materials 21 necessary to administer the activities authorized by this subsection. 22 The New Jersey Economic Development Authority shall enter into a 23 memorandum of understanding or grant agreement, as applicable, with 24 the division to effectuate the purposes of this subsection, to establish 25 appropriate administrative costs, and to ensure compliance with 26 federal rules and guidance, including with respect to the "American Rescue Plan Act," Pub.L.117-2. 27
  - b. The division shall be the State's grant manager for federal "Coronavirus State Fiscal Recovery Funds," and is responsible for ensuring compliance with all applicable federal rules and regulations for this act, including, but not limited to, submitting all required reporting and documentation to the United States Department of the Treasury in accordance with federal rules, including with respect to the "American Rescue Plan Act," Pub.L.117-2. As the State's grant manager for federal "Coronavirus State Fiscal Recovery Funds," the division shall require funds for organizational, administrative, and other work and services, including salaries, services, equipment, and materials necessary to administer the applicable provisions of this act.

c. Notwithstanding the provisions of subsection a. of this section to the contrary, the division may transfer the uncommitted balance of any funds made available pursuant to this section for any use authorized under this. The division shall submit notice to the Joint Budget Oversight Committee no less than five calendar days before the date of the transfer. The notice shall indicate the amount of the transferred funds and the purpose for which the funds are

47 transferred. 1

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<sup>1</sup>3. a. There is appropriated to the Division of Disaster Recovery and Mitigation in the Department of Community Affairs \$30,000,000 in federal funds allocated to the State from the federal "Coronavirus State Fiscal Recovery Fund" established pursuant to the federal "American Rescue Plan Act", Pub.L.117-2, and such amounts shall be made available to the Department of Human Services for the purpose of providing grants to the licensed child care providers or employees of licensed child care providers, which grants shall be allocated, on a rolling basis, to licensed child care providers or employees of licensed child care providers within 45 days of the department's receipt of a complete qualifying application, and of such amounts, not more than 2.5 percent, subject to the division's ultimate review and approval, shall be utilized by the Department of Human Services for organizational, administrative and other work and services, including salaries, equipment, services, and materials necessary to administer the activities authorized by this subsection. The Department of Human Services shall enter into a memorandum of understanding or grant agreement, as applicable, with the division to effectuate the purposes of this act subsection, to establish appropriate administrative costs, and to ensure compliance with federal rules and guidance, including with respect to the "American Rescue Plan Act," Pub.L.117-2.

b. The division shall be the State's grant manager for federal "Coronavirus State Fiscal Recovery Funds," and is responsible for ensuring compliance with all applicable federal rules and regulations for this section, including, but not limited to, submitting all required reporting and documentation to the United States Department of the Treasury in accordance with federal rules, including with respect to the "American Rescue Plan Act," Pub.L.117-2. As the State's grant manager for federal "Coronavirus State Fiscal Recovery Funds," the division shall require funds for organizational, administrative, and other work and services, including salaries, services, equipment, and materials necessary to administer the applicable provisions of this act.

c. Notwithstanding the provisions of subsection a. of this section to the contrary, the division may transfer the uncommitted balance of any funds made available pursuant to this section for any use authorized under this act. The division shall submit notice to the Joint Budget Oversight Committee no less than five calendar days before the date of the transfer. The notice shall indicate the amount of the transferred funds and the purpose for which the funds are transferred.<sup>1</sup>

4. This act shall take effect immediately.