



Division of Child Development and Early Education

5 Star Rated License • Prekindergarten • Subsidized Early Education for Kids

Legislative Update

Federal CCDF Reauthorization

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Reauthorization of Child Care Development Fund (CCDF) Block Grant

- Reauthorized federal legislation is The CCDBG (Child Care and Development Block Grant) Act of 2014, amending CCDBG Act of 1990 enacted on November 19, 2014
- Compliance with requirements in the new law will be established through submission and approval of the FY 2016-18 CCDF State Plans (changed from biennial to triennial).
- Some changes can be established through agency, others have to go through legislative or rulemaking process.

Monitoring of Licensing and Regulatory

- Requires a pre-licensure visit and at least 1 annual unannounced inspection for all child care facilities.
- Ensure that individuals who are hired as licensing inspectors (Child Care Consultants) are qualified and receive training
- Maintain the ratio of licensing inspectors to providers and facilities at a level sufficient to perform inspections on a timely basis
- Must be implemented by November 19, 2016

Results of Monitoring and Inspection

- State must make public by electronic means (web site) the results of monitoring and inspection reports, including:
 - Major substantiated complaints
 - Number of deaths
 - Serious Injuries
 - Instances of substantiated child abuse
- Implemented by November 2017 or earlier

Criminal Background Checks

- States must have policies and procedures in place to conduct comprehensive criminal background checks for child care providers and staff
 - NC currently already completing most aspects, will have to add some additional details to existing checks.
- Must be implemented by September 30, 2017

Child Care Subsidy Changes

- Priority must be given to children of families with very low incomes, including homeless children, and children with special needs.
- Adds foster parent to the definition of 'parent'
- Requires increased partnership with State/public agencies, tribal organizations and faith and community based agencies to increase capacity, supply and quality of care
- Prioritize investments in geographic areas of specific concern or with concentrated poverty

Child Care Subsidy Changes

- Requires minimum 12 month eligibility period for service
 - Regardless of changes in income, up to 85% of SMI -or-
 - Temporary changes in participation in work, training or education activities
- Requires transition plan and allowances for job search
- States are allowed the option to terminate service if a parent permanently loses employment, but must continue service for at least 3 months after change.
- Purpose of this is to provide continuity of high quality care for children

Child Care Subsidy Changes

- Additional reporting required on children served, as well as those on waiting lists and denied service
- Must develop and implement strategies to increase supply and quality of care for:
 - Children in underserved areas
 - Infants/Toddlers
 - Children with disabilities
 - Children in care during non-traditional hours
- Requires that redetermination not 'unduly disrupt' parent/guardian's employment

Child Care Subsidy Changes

- To set payment rates, states must conduct either market rate survey or alternative methodology
- If market rate survey is used, must reflect variations in price of child care by geographic area, type of provider, and age of child
- Alternative methodology can include a cost estimation model
- State is required to set CCDF subsidy payment rates in accordance with the results of the current market rate survey or alternative methodology

Minimum Quality Spending Changes

- **Reauthorization increases the minimum quality spending requirement to 9%, phased in over 5 years.**

(Reference: Section 658G(a)(2))

Federal Fiscal Year	% Quality Set-aside	% Infant and Toddler	Total Quality Set-aside
FFY 2016	7%	--	7%
FFY 2017	7%	3%	10%
FFY 2018	8%	3%	11%
FFY 2019	8%	3%	11%
FFY 2020 (and ongoing)	9%	3%	12%

- **Current minimum is 4% (plus appropriated set asides)**

Quality Set Aside for Infant and Toddlers

- In addition to overall minimum quality spending:
 - 3% of funds must be used for quality activities that relate to improving the quality of care for infants and toddlers.
 - Begins in 2017 and continues forward

Quality Activity Requirements

Professional Training Requirements –

- Supporting training/professional development of child care workforce through:
 - Activities that relate to scientifically-based, developmentally appropriate strategies to promote the social, emotional, physical and cognitive development of children.
 - Connecting child care staff to postsecondary training, financial aid, or other resources
 - Special training focus on neurological development, nutrition, physical activity, low-income populations, and children with disabilities
 - Developing strategies to reduce expulsions
 - Engaging families in culturally and linguistically appropriate ways
 - Implementation of the State's early learning and developmental guidelines

Quality Activity Requirements (TQRIS)

Tiered Quality Rating and Improvement System:

- Support and assess provider quality
- Build on State licensing/regulatory standards
- Improve the quality of different types of providers /services
- Evaluate quality and effectiveness of child care programs
- Improve parents' understanding of early childhood system and ratings
- Provide financial incentives for improved quality

Quality Activity Requirements

- Improving the Supply and Quality of Infant/Toddler Care
- Improving health and safety, cognitive and physical development for Infant and toddlers,
- Expanding statewide system of child care resource and referral services
- Facilitating state requirements for inspection, monitoring, training, health and safety, and licensing standards.
- Evaluating and assessing the quality and effectiveness of child care programs.
- Supporting child care providers in the pursuit of accreditation
- Supporting state or local efforts to develop high quality program standards relating to health, mental health, nutrition, physical activity and development.

Reporting Changes

- State must submit the following:
 - Starting FY 2016 annually submit certification describing how funds were used to comply with quality set-aside requirements during preceding fiscal year
 - Amount of funds reserved for quality improvement activities
 - Quality improvement activities, outcomes and expenditures
 - Measures State will use to evaluate progress toward improving quality of child care programs and services

Implementation Dates

- Raising the minimum quality requirement from 4 to 9%:
Phased-in over a 5-year period beginning in FY 2016
- Additional 3% quality set-aside for infants and toddlers:
Starting in FY 2017
- Criminal background checks for all child care providers:
September 30, 2017
- Monitoring of licensing and regulatory requirements for
providers serving CCDF children: November 19, 2016
- Posting results of monitoring and inspection reports on a
public website: Earlier of November 19, 2017 or 1 year after
implementation of required monitoring policies.
- State compliance with priority for services for underserved
populations: September 30, 2016.



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Questions?