## IN SENATE

## April 29, 2016

Introduced by Sen. AVELLA -- read twice and ordered printed, and when printed to be committed to the Committee on Children and Families

AN ACT to amend the social services law, in relation to implementing a cost estimation model for child care

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Subdivision 4 of section 410-x of the social services law, as added by section 52 of part B of chapter 436 of the laws of 1997, is amended to read as follows:

- 4. (A) The amount to be paid or allowed for child care assistance funded under the block grant shall be the actual cost of care but no more than the applicable market-related payment rate established by the department in regulations. The payment rates established by the department shall be sufficient to ensure equal access for eligible children to comparable child care assistance in the substate area that are provided to children whose parents are not eligible to receive assistance under any federal or state programs. Such payment rates shall take into account the variations in the costs of providing child care in different settings and to children of different age groups, and the additional costs of providing child care for children with special needs.
- (B) (1) FOR EACH GROUP FOR WHICH THE OFFICE OF CHILDREN AND FAMILY SERVICES DETERMINES A SEPARATE PAYMENT RATE PURSUANT TO PARAGRAPH (A) OF THIS SUBDIVISION, AND AT THE SAME FREQUENCY, SUCH OFFICE SHALL UTILIZE A COST ESTIMATION MODEL TO DETERMINE THE ACTUAL COST PROVIDERS INCUR WHEN PROVIDING CHILD CARE. THE COST ESTIMATION MODEL SHALL IDENTIFY AND TAKE INTO ACCOUNT COST DRIVERS INCLUDING BUT NOT LIMITED TO EMPLOYEE SALARY AND BENEFITS, ENROLLMENT LEVELS, FACILITY COSTS AND COMPLIANCE WITH STATUTORY AND REGULATORY REQUIREMENTS. THE COST ESTIMATION MODEL SHALL ALSO TAKE INTO ACCOUNT THE COST OF PROVIDING SERVICES AT EACH LEVEL OF QUALITY AS DETERMINED BY A QUALITY RATING SYSTEM AND ANY QUALITY INDICATORS UTILIZED BY THE STATE.
- 26 (2) IN DEVELOPING SUCH MODEL THE OFFICE OF CHILDREN AND FAMILY 27 SERVICES SHALL CONSULT WITH STAKEHOLDERS INCLUDING, BUT NOT LIMITED TO, 28 REPRESENTATIVES OF CHILD CARE RESOURCE AND REFERRAL AGENCIES, CHILD CARE

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [ ] is old law to be omitted.

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1 PROVIDERS AND ANY STATE ADVISORY COUNCIL ESTABLISHED PURSUANT TO 42 U.S.C.S. S 9831 ET. SEQ., AS AMENDED. THE COST ESTIMATION MODEL SHALL BE 3 STATISTICALLY VALID, USING COMPLETE AND CURRENT DATA AND RIGOROUS 4 COLLECTION METHODS.

- S 2. Section 410-z of the social services law, as added by section 52 of part B of chapter 436 of the laws of 1997, is amended to read as follows:
- S 410-z. Reporting requirements. 1. Each social services district shall collect and submit to the department, in such form and at such times as specified by the department, such data and information regarding child care assistance provided under the block grant as the department may need to comply with federal reporting requirements.
- 2. THE OFFICE OF CHILDREN AND FAMILY SERVICES SHALL PREPARE AN ANNUAL REPORT DETAILING THE ACTUAL COST PROVIDERS INCUR WHEN PROVIDING CHILD CARE IN EACH SETTING, AS DETERMINED BY THE COST ESTIMATION MODEL ESTABLISHED IN PARAGRAPH (B) OF SUBDIVISION FOUR OF SECTION FOUR HUNDRED TEN-X OF THIS TITLE. THE REPORT SHALL DETAIL COST DATA FOR EACH SETTING, AGE GROUP, CARE PROVIDED TO CHILDREN WITH SPECIAL NEEDS, AND ANY OTHER GROUPING FOR WHICH A SEPARATE COST ESTIMATION IS CONDUCTED. SUCH DATA SHALL INCLUDE:
- (A) THE LEVEL OF QUALITY CARE AS DETERMINED BY A QUALITY RATING SYSTEM OR ANY QUALITY INDICATORS UTILIZED BY THE STATE;
  - (B) A DESCRIPTION OF THE MAJOR COST DRIVERS FOR PROVIDING CARE; AND
- (C) A COMPARISON OF THE COSTS OF CHILD CARE FOR EACH GROUPING TO THE MARKET RATE DETERMINED BY THE OFFICE OF CHILDREN AND FAMILY SERVICES PURSUANT TO PARAGRAPH (A) OF SUBDIVISION FOUR OF SECTION FOUR HUNDRED TEN-X OF THIS TITLE.
- THE REPORT SHALL BE SUBMITTED TO THE GOVERNOR, THE SPEAKER OF THE SPEAKER OF THE ASSEMBLY AND THE TEMPORARY PRESIDENT OF THE SENATE BY JANUARY FIRST, TWO THOUSAND EIGHTEEN AND JANUARY FIRST OF EACH YEAR THEREAFTER. THE OFFICE OF CHILDREN AND FAMILY SERVICES SHALL POST THE INFORMATION CONTAINED IN THE REPORT ON ITS WEBSITE.
- 33 S 3. This act shall take effect on the one hundred eightieth day after 34 it shall have become a law.