Representative Andrew Stoddard proposes the following substitute bill:

| 1 | CHILD CARE GRANTS AMENDMENTS |
|--------|---|
| 2 | 2024 GENERAL SESSION |
| 3 | STATE OF UTAH |
| 4 | Chief Sponsor: Andrew Stoddard |
| 5 | Senate Sponsor: |
| 6 7 | LONG TITLE |
| 8 | General Description: |
| 9 | This bill requires the Office of Child Care to offer grants within available funds to child |
| 10 | care providers. |
| 11 | Highlighted Provisions: |
| 12 | This bill: |
| 13 | defines terms; |
| 14 | requires the Office of Child Care to provide grants, within available funds, to child |
| 15 | care providers; |
| 16 | requires the Office of Child Care to make an annual report; |
| 17 | extends a sunset date; and |
| 18 | makes technical changes. |
| 19 | Money Appropriated in this Bill: |
| 20 | This bill appropriates in fiscal year 2025: |
| 21 | to Department of Workforce Services - Operations and Policy - Workforce |
| 22 | Development as a one-time appropriation: |
| 23 | • from the General Fund, One-time, \$240,000,000 |
| 24 | Other Special Clauses: |
| 25 | This bill provides a special effective date. |

1st Sub. (Buff) H.B. 541

| Utah Code Sections Affected: |
|--|
| AMENDS: |
| 35A-3-212, as last amended by Laws of Utah 2023, Chapter 328 |
| 63I-2-235, as last amended by Laws of Utah 2022, Chapter 21 |
| Be it enacted by the Legislature of the state of Utah: |
| Section 1. Section 35A-3-212 is amended to read: |
| 35A-3-212. Use of relief funds Grants to child care providers Reporting |
| requirements. |
| (1) As used in this section: |
| (a) "Child care provider" means a person that holds a license or certificate from the |
| Department of Health and Human Services in accordance with Title 26B, Chapter 2, Part 4, |
| Child Care Licensing. |
| [(a)] (b) "COVID-19 relief funds" means federal funds provided to the office under: |
| (i) the American Rescue Plan Act, Pub. L. No. 117-2; |
| (ii) the Coronavirus Aid, Relief, and Economic Security Act, Pub. L. No. 116-136; or |
| (iii) the Coronavirus Response and Relief Supplemental Appropriations Act, Pub. L. |
| No. 116-260. |
| (c) "Low-income child" means a child who is a member or foster child of a family with |
| an annual income at or below 200% federal poverty level. |
| [(b) "Eligible child care provider" means:] |
| [(i) a child care provider that enters into a contract with an employer to provide child |
| care for the employer's employees, either on-site or off-site of the employer's place of business; |
| or] |
| [(ii) a regulated residential child care provider.] |
| [(c) (i) "Employer" means:] |
| [(A) a public employer;] |
| [(B) a private employer; or] |
| [(C) a cooperative organized for the purpose of providing child care for members' |
| employees.] |
| [(ii) "Employer" includes a local education agency, as defined in Section 53E-1-102.] |

02-16-24 1:43 PM

1st Sub. (Buff) H.B. 541

| 57 | [(d) "Regulated residential child care provider" means a person who holds a license or |
|----|---|
| 58 | certificate from the Department of Health and Human Services to provide residential child care |
| 59 | in accordance with Title 26B, Chapter 2, Part 4, Child Care Licensing.] |
| 60 | (2) (a) Subject to availability of funds and requirements under applicable federal law, |
| 61 | the office shall [use COVID-19 relief funds to] provide grants to [eligible] child care providers |
| 62 | to <u>:</u> |
| 63 | (i) assist in paying start-up costs associated with the provision of child care[-]; |
| 64 | (ii) stabilize the child care provider's business; and |
| 65 | (iii) allow the child care provider to offer increased compensation, benefits, or a |
| 66 | combination of both to the child care provider's employees. |
| 67 | (b) The office shall make rules, in accordance with Title 63G, Chapter 3, Utah |
| 68 | Administrative Rulemaking Act, to establish criteria and procedures for applying for and |
| 69 | awarding grants under this Subsection (2)[-], including prioritizing grants to a child care |
| 70 | provider that predominantly serves: |
| 71 | (i) children receiving a child care subsidy or grant; or |
| 72 | (ii) low-income children. |
| 73 | (3) In fiscal years 2022 through 2024, the office shall submit to the department, for |
| 74 | inclusion in the department's annual written report described in Section 35A-1-109, an annual |
| 75 | report that provides: |
| 76 | (a) a complete accounting of the COVID-19 relief funds expended by the office during |
| 77 | the previous fiscal year; |
| 78 | (b) a description of the services, projects, and programs funded by the office with |
| 79 | COVID-19 relief funds during the previous fiscal year, including the amount of COVID-19 |
| 80 | relief funds allocated to each service, project, or program; and |
| 81 | (c) information regarding the outcomes and effectiveness of the services, projects, and |
| 82 | programs funded by the office with COVID-19 relief funds during the previous fiscal year. |
| 83 | (4) In fiscal years 2025 and 2026, the office shall submit to the department, for |
| 84 | inclusion in the department's annual written report described in Section 35A-1-109, a report |
| 85 | that provides a complete accounting of grants, if any, made by the office pursuant to this |
| 86 | section during the previous fiscal year. |
| 87 | Section 2. Section 631-2-235 is amended to read: |

1st Sub. (Buff) H.B. 541

| 88 | 63I-2-235. Repeal dates: Title 35A. |
|-----|---|
| 89 | (1) Section 35A-1-104.6 is repealed June 30, 2022. |
| 90 | (2) Section 35A-3-212 is repealed June 30, [2025] <u>2026</u> . |
| 91 | Section 3. FY 2025 Appropriation. |
| 92 | The following sums of money are appropriated for the fiscal year beginning July 1, |
| 93 | 2024, and ending June 30, 2025. These are additions to amounts previously appropriated for |
| 94 | fiscal year 2025. |
| 95 | Subsection 3(a). Operating and Capital Budgets. |
| 96 | Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, the |
| 97 | Legislature appropriates the following sums of money from the funds or accounts indicated for |
| 98 | the use and support of the government of the state of Utah. |
| 99 | ITEM 1 To Department of Workforce Services - Operations and Policy |
| 100 | From General Fund, One-time \$240,000,000 |
| 101 | Schedule of Programs: |
| 102 | Workforce Development \$240,000,000 |
| 103 | The Legislature intends that the funds not lapse at the end of fiscal year 2025, but that the |
| 104 | Department of Workforce Services expend \$120,000,000 in the fiscal year beginning July 1, |
| 105 | 2024 and ending June 30, 2025 on child care provider grants, and \$120,000,000 in the fiscal |
| 106 | year beginning July 1, 2025 and ending June 30, 2026 on child care provider grants. |
| 107 | Section 4. Effective date. |
| 108 | This bill takes effect on July 1, 2024. |