

**Testimony
Child Care Study
Economic Impact Interim Committee
Senator Dave Oehlke, Chairman
April 30, 2014**

Chairman Oehlke, and members of the Economic Impact Committee, I am Jennifer Barry, the Early Childhood Services Administrator with the Department of Human Services. I am here today to offer you an update on proposed federal requirements and opportunities related to Early Childhood Services.

On May 20, 2013, the U.S. Department of Health and Human Services (HHS) proposed new regulations to strengthen standards to better promote the health, safety, and school readiness of children in child care. The public comment period for the proposed rule closed on August 23, 2013 and HHS is now reviewing comments and developing a final rule, which we expect to be published this summer.

The proposed rule would require:

- An increase in pre-service and orientation trainings in specific areas;
- Compliance for all licensed and self-declared programs with applicable state and local fire, health and building codes;
- Comprehensive fingerprint-based background checks for all providers and staff prior to approval and every five years thereafter;
- On-site monitoring by licensers;
- Development of a user-friendly state website for parents to receive information about licensing and regulation, including the monitoring and inspection reports for all licensed and self-declared providers;

- Toll-free 24-hour hotline for parents to report concerns about child care;
- The development of a system of quality indicators to better inform parents about the quality of their child care choices;

Recently, the Senate passed s.1086, which closely mirrors the proposed rule, and would also require states to develop a Child Care Disaster Plan. In preparation for the proposed changes, the Department has been reviewing current policies to determine the additional resources that would be needed to implement the changes. For some of the proposed changes, such as the onsite monitoring of programs, North Dakota already meets the proposed requirements. In other areas, such as the background check requirements and the pre-service training requirements, North Dakota partially meets the proposed requirements. The development of the website containing provider specific licensing information represents one of the biggest potential changes for providers and one of the biggest additional costs to the state.

The Department will closely monitor the status of the proposed rule, and will consider any potential cost increases that result from the final rule as we prepare the 2015-2017 budget.

In addition to potential new federal requirements, I'd also like to share some new federal opportunities with you:

Early Head Start/Child Care Partnership Grants

These grants will allow new or existing Early Head Start programs to partner with local child care centers and family child care providers

serving infants and toddlers from low-income families in an effort to expand the capacity of high quality infant-toddler care. Mark Schaefer, the Head Start State Collaboration Administrator and I have begun discussions with North Dakota's Early Head Start grantees to explore possible partnerships. We are awaiting the grant release for further details.

Race to the Top-Early Learning Challenge Grants (RTT-ELC)

Twenty states have received these grants, in the amounts of \$30-\$75 million over five years, to build statewide systems which promote school readiness by raising the quality of early childhood programs and increasing access to high-quality programs by children with high needs. The federal FY2014 budget contains \$250 million for additional states to apply for the RTT-ELC grant.

Equitable Opportunities Grant

This opportunity has been recently announced, and we are waiting for more specific information on how states may apply. This grant will give the opportunity to states which are not applying for the RTT-ELC grant to apply for a grant specific to the development of an early childhood data system.

As you continue in your study of early childhood services, I hope you find this update on federal initiatives helpful. This concludes my testimony, and I will try to answer any questions you might have.

