

CHAPTER 25

AN ACT establishing infant and toddler child care grant programs, supplementing Title 30 of the New Jersey Statutes, and making an appropriation.

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

C.30:5B-36 Short title.

1. This act shall be known and may be cited as the “Thriving By Three Act.”

C.30:5B-37 Incentivize capacity increase for infant, toddler care.

2. The purpose of this act shall be to incentivize the expansion of capacity for infants and toddlers, provide technical assistance to child care providers for the expansion of child care spaces for infants and toddlers, address shortages in infant and toddler care capacity that is available for working families, and support the developmental needs of young children.

C.30:5B-38 Grants; requirements, eligibility.

3. a. The New Jersey Economic Development Authority shall award one-time grants, on either a competitive or rolling application basis, to licensed child care providers, registered family day care providers, and Head Start programs that meet the requirements of subsection b. of this section. Providers and programs that meet the requirements of subsection b. of this section shall be eligible for a one-time grant that may be used to renovate, improve, expand, or reconstruct existing facilities in a manner that will have the predominant effect of increasing the number of infant and toddler child care slots or classrooms, as appropriate. The authority may provide technical assistance to assist providers in meeting the requirements of the grant program.

- b. To be eligible for consideration for a grant award under this section, a licensed child care provider, registered family day care provider, or Head Start program shall:

- (1) submit an application to the authority, in a form and manner as shall be prescribed by the authority and in accordance with criteria established by the authority in consultation with the Commissioner of Human Services, which application shall outline the purposes for which a grant award would be used;

- (2) comply with the current child care licensing standards for infant and toddler child care, including, but not limited to, class size, child-to-staff ratios, and health and safety standards; and

- (3) participate or apply to participate in the State’s child care quality rating and improvement system, Grow NJ Kids.

- c. In awarding grants under this section, the authority shall give preference to providers and programs that:

- (1) are located in communities identified as child care deserts with few or no options for high-quality child care for infants and toddlers;

- (2) are located in communities with high percentages of low-income families; and

- (3) can align their infant and toddler child care programs with high-quality preschool programs, support collaborations for shared services, and build upon existing early childhood education services.

C.30:5B-39 Department of Human Services, Economic Development Agency, awarding of grants.

4. a. The Commissioner of Human Services shall award grants, on a competitive basis pursuant to criteria established by the Commissioner of Human Services, to licensed child care providers, registered family day care providers, and Head Start programs that meet the

requirements of subsection b. of this section. Providers and programs that meet the requirements of subsection b. of this section shall be eligible for a one-time initial grant that may be used to: purchase equipment; recruit, train, or compensate staff for new infant and toddler slots or classrooms; and for other initiatives to support the expansion of infant and toddler child care capacity. The Department of Human Services may provide technical assistance to assist providers in meeting the requirements of the grant program.

b. To be eligible for consideration for a grant award under this section, a licensed child care provider, registered family day care provider or Head Start program shall submit an application to the Department of Human Services, in a form and manner as shall be prescribed by the Commissioner of Human Services and in accordance with criteria established by the Commissioner of Human Services, which application shall outline the purposes for which a grant award would be used. Eligible providers shall include, but shall not be limited to, providers that receive a grant from the Economic Development Authority pursuant to section 2 of this act. To be eligible for consideration for a grant award under this section, an applicant shall additionally:

(1) comply with the current child care licensing standards for infant and toddler child care, including, but not limited to, class size, child-to-staff ratios, and health and safety standards;

(2) demonstrate that the grant funding will be used to support the expansion of infant and toddler child care capacity; and

(3) participate or apply to participate in the State's child care quality rating and improvement system, Grow NJ Kids.

c. The commissioner shall establish selection criteria for the awarding of grant funds under the program. One-time initial grants shall be awarded, in an amount to be determined by the commissioner, based upon review of the applications and subject to the availability of funds.

d. The department shall calculate the initial grant award for an eligible recipient based on the number of new infant or toddler child care slots that will be supported through the grant program created pursuant to this section. Initial grants awarded pursuant to this section shall be in an amount that is not less than \$3,000 per new infant or toddler child care slot that will be supported through the grant program.

e. (1) Subject to appropriation and the availability of funds, grant recipients not already participating in Grow NJ Kids at the time the grant recipient applied to the department for a grant award under this section, which recipients apply to participate in Grow NJ Kids as a condition of program eligibility, shall be eligible to apply for and receive up to two additional grant awards to allow for time for the recipient to join and become rated under Grow NJ Kids. A recipient shall not be eligible for an additional grant award under this subsection if the recipient has received a Grow NJ Kids rating.

(2) A grant recipient shall apply for additional grant awards pursuant to paragraph (1) of this subsection in a form and manner as shall be prescribed by the commissioner. The application for an additional grant award shall outline the purposes for which the grant would be used. Additional grant awards may be used for the same purposes as are authorized for grants awarded pursuant to subsection a. of this section.

(3) The department shall calculate an additional grant award for an eligible recipient based on the number of new infant or toddler child care slots that are supported using the recipient's initial grant award. Additional grants awarded pursuant to this subsection shall be in an amount that is not less than \$1,200 per infant or toddler child care slot that will be supported through the grant program.

(4) A first additional grant awarded pursuant to this subsection shall be paid on the first day of the 12th month next following the date the initial grant award is paid. A second

additional grant awarded pursuant to this subsection shall be paid on the first day of the 24th month next following the date the initial grant award is paid.

f. In awarding grants under this section, the commissioner shall give preference to providers and programs that:

- (1) are located in communities identified as child care deserts with few or no options for high-quality child care for infants and toddlers;
- (2) are located in communities with high percentages of low-income families; and
- (3) can align their infant and toddler child care programs with high-quality preschool programs, support collaborations for shared services, and build upon existing early childhood education services.

C.30:5B-40 Publicizing grant programs, encouraging application, assistance.

5. The Economic Development Authority and the Department of Human Services shall each publicize the existence of, and encourage licensed child care providers, registered family day care providers, and Head Start programs to apply to participate in, the grant programs established under this act; and shall provide technical assistance to the grant awardees to meet the requirements of the grant program.

C.30:5B-41 Report submitted to grant-awarding agency.

6. Within one year after receiving a grant award under this act, a licensed child care provider, registered family day care provider, or Head Start program shall submit a report to the agency that awarded the grant to the licensed child care provider, registered family day care provider, or Head Start program containing information on the provider's or program's use of the grant funds. The report shall include, to the extent relevant, information any new infant and toddler child care capacity, including new slots, created using grant funds, any staff recruitment initiatives supported using grant funds, increases or improvements in the provision of child care services as a result of the grant, and any notable changes in child care enrollment and attendance rates or other measures the provider or program observed since receiving the grant.

C.30:5B-42 Report submitted to Governor, Legislature.

7. The Commissioner of Human Services and the Economic Development Authority shall each submit a report to the Governor, and to the Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), no later than two years after the establishment of the grant programs established pursuant to this act. The report shall include, but need not be limited to, information on the number of grant applicants, the number and amounts of grants awarded, the purposes for which grant funds were used, the number of additional infant and toddler child care spaces created using grant funds, information provided by licensed child care providers, registered family day care providers, and Head Start programs under section 6 of this act, and any recommendations concerning the continuation or expansion of the grant programs.

8. The Economic Development Authority and the Commissioner of Human Services, in consultation with the Department of Education and the Bureau of Licensing in the Department of Children and Families, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), may each adopt such rules and regulations as may be necessary to implement the provisions of this act.

9. There is appropriated the following sums to effectuate the provisions of this act:

a. \$8,000,000 from the General Fund to the Economic Development Authority to effectuate the provisions of section 3 of this act, of which a reasonable amount not to exceed five percent may be used by the authority for organizational, administrative and other work and services, including salaries, equipment, services, and materials necessary to administer the activities authorized by this act; and

b. \$20,000,000 from the General Fund to the Department of Human Services to effectuate the provisions of section 4 of this act, of which a reasonable amount not to exceed five percent may be used by the department for organizational, administrative and other work and services, including salaries, equipment, services, and materials necessary to administer the activities authorized by this act.

10. This act shall take effect immediately.

Approved June 30, 2022.