

**HOUSE . . . . . No. 480**

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**The Commonwealth of Massachusetts**

PRESENTED BY:

*Stephan Hay*

*To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:*

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to rates of payment for early childhood education and care programs.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
<i>Stephan Hay</i>	<i>3rd Worcester</i>
<i>Timothy R. Whelan</i>	<i>1st Barnstable</i>
<i>Louis L. Kafka</i>	<i>8th Norfolk</i>
<i>James J. O'Day</i>	<i>14th Worcester</i>
<i>Aaron Vega</i>	<i>5th Hampden</i>
<i>Daniel M. Donahue</i>	<i>16th Worcester</i>
<i>Paul K. Frost</i>	<i>7th Worcester</i>
<i>Adrian C. Madaro</i>	<i>1st Suffolk</i>
<i>Jennifer E. Benson</i>	<i>37th Middlesex</i>
<i>Susannah M. Whipps</i>	<i>2nd Franklin</i>
<i>Lindsay N. Sabadosa</i>	<i>1st Hampshire</i>
<i>Joseph D. McKenna</i>	<i>18th Worcester</i>
<i>Kay Khan</i>	<i>11th Middlesex</i>
<i>F. Jay Barrows</i>	<i>1st Bristol</i>
<i>Paul W. Mark</i>	<i>2nd Berkshire</i>
<i>Adam G. Hinds</i>	<i>Berkshire, Hampshire, Franklin and Hampden</i>
<i>Russell E. Holmes</i>	<i>6th Suffolk</i>

<i>Steven S. Howitt</i>	<i>4th Bristol</i>
<i>Natalie M. Higgins</i>	<i>4th Worcester</i>
<i>Daniel J. Hunt</i>	<i>13th Suffolk</i>
<i>David Paul Linsky</i>	<i>5th Middlesex</i>
<i>Bruce E. Tarr</i>	<i>First Essex and Middlesex</i>
<i>David F. DeCoste</i>	<i>5th Plymouth</i>
<i>Tackey Chan</i>	<i>2nd Norfolk</i>
<i>Dylan A. Fernandes</i>	<i>Barnstable, Dukes and Nantucket</i>
<i>Thomas P. Walsh</i>	<i>12th Essex</i>
<i>Mindy Domb</i>	<i>3rd Hampshire</i>
<i>David Henry Argosky LeBoeuf</i>	<i>17th Worcester</i>
<i>Mike Connolly</i>	<i>26th Middlesex</i>
<i>Patricia A. Haddad</i>	<i>5th Bristol</i>
<i>Daniel Cahill</i>	<i>10th Essex</i>
<i>Natalie M. Blais</i>	<i>1st Franklin</i>
<i>Dean A. Tran</i>	<i>Worcester and Middlesex</i>
<i>Shaunna L. O'Connell</i>	<i>3rd Bristol</i>
<i>Paul Brodeur</i>	<i>32nd Middlesex</i>
<i>Frank A. Moran</i>	<i>17th Essex</i>
<i>John C. Velis</i>	<i>4th Hampden</i>
<i>Carolyn C. Dykema</i>	<i>8th Middlesex</i>

**HOUSE . . . . . No. 480**

By Mr. Hay of Fitchburg, a petition (accompanied by bill, House, No. 480) of Stephan Hay and others relative to rates of payment for early childhood education and care programs. Education.

**The Commonwealth of Massachusetts**

In the One Hundred and Ninety-First General Court  
(2019-2020)

An Act relative to rates of payment for early childhood education and care programs.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1 SECTION 1. Section 1A of Chapter 15D, as appearing in the 2016 Official Edition, is  
2 hereby amended by inserting after the definition of “family foster care” the following definitions:

3 “Governmental mandate” shall mean a state or federal statutory requirement,  
4 administrative rule, regulation, assessment, executive order, judicial order or other governmental  
5 requirements that directly or indirectly imposes an obligation and associated compliance cost  
6 upon a subsidized child care provider to take any action or to refrain from taking any action in  
7 order to fulfill the subsidized child care provider’s contractual duty to a procuring governmental  
8 unit.

9 "Governmental unit" shall mean the commonwealth, any department, agency board,  
10 commission or political subdivision of the commonwealth.

11 SECTION 2. Section 1A of Chapter 15D, as so appearing, shall be amended by  
12 inserting after the definition of “services” the following definition:

13           “Subsidized Child Care Provider” shall mean a licensed or exempt child care center, or a  
14 licensed, family-child care home located within the Commonwealth of Massachusetts that  
15 provides subsidized early education and care programs and services to low-income and other at-  
16 risk children.

17           SECTION 3. Chapter 15D, as appearing in the 2014 Official Edition, is hereby amended  
18 by inserting after Section 18, the following new sections:

19

20           Section 19. “Notwithstanding the provisions of any general or special law or regulation to  
21 the contrary, the board in fulfilling its responsibility in section 2(e) of chapter 15D to establish  
22 and develop a schedule for revising a rate structure for voucher and contracted payments to  
23 subsidized child care providers shall have the sole responsibility for establishing rates and  
24 methods of payment for subsidized child care providers which are reasonable and adequate to  
25 meet the actual costs which are incurred by subsidized child care providers in providing early  
26 education and care programs to low income and other at risk children in conformity with federal  
27 and state law, regulations, and quality and safety standards. In establishing rates and methods of  
28 payment for early education and care programs that provide care and services to low income and  
29 other at-risk children, the board shall adjust rates to take into account factors, including, but not  
30 limited to: (i) the cost to subsidized child care provider of any existing or new governmental  
31 mandate that has been enacted, promulgated or imposed by any governmental unit or federal  
32 governmental authority since rates were last established by the board; (ii) inflation costs of  
33 subsidized child care providers; and (iii) other available cost and market data relating to  
34 subsidized child care providers including, but not limited to, workforce credentialing and

35 professional development requirements under state and federal laws and the market cost  
36 associated with unsubsidized early education and child care programs including, but not limited  
37 to, salaries and benefits. The board shall not consider the resources specified in section 13G of  
38 chapter one hundred and eighteen E in establishing, reviewing or approving rates of payment for  
39 early education and care programs that provide care and services to low income and other at-risk  
40 children.

41 The board shall: (i) determine, after public hearing, at least annually, the rates to be paid  
42 by each governmental unit to subsidized child care providers. In advance of the public hearing,  
43 the board shall hold a series of meetings with subsidized child care providers to discuss the  
44 establishment of rates pursuant to the methodology set forth herein. After conducting a hearing,  
45 the Board shall establish fair and reasonable rates to be paid for early education services,  
46 provided that said rates shall not be less than the previous year and inclusive of an inflation  
47 adjustment consistent with the annual Massachusetts consumer price index as determined by the  
48 federal bureau of statistics. Said rates are to be filed with the state secretary and shall be deemed  
49 certified.

50 Section 20. “Any subsidized child care provider aggrieved by an interim rate or a final  
51 rate established by the board, or by failure of the board to set a rate or to take other action  
52 required by law and desiring a review thereof shall, within 30 days after said rate is filed with the  
53 state secretary or may, at any time, if there is a failure to determine a rate or take any action  
54 required by law, file an appeal with the division of administrative law appeals established by  
55 section 4H of chapter 7. Any appeal filed under this section shall be accompanied by a certified  
56 statement that said appeal is not interposed for delay. On appeal, the rate determined for any

57 subsidized child care provider shall be adequate, fair and reasonable for such provider, based  
58 upon, the costs of such provider, but not limited thereto.

59 On an appeal from an interim rate or a final rate the division of administrative law  
60 appeals shall conduct an adjudicatory proceeding under chapter 30A, and said division shall file  
61 its decision with the board and the state secretary within 30 days after the conclusion of the  
62 hearing.

63 Said decision shall contain a statement of the reasons for such decision, including a  
64 determination of each issue of fact or law upon which such decision was based. If such decision  
65 results in a recommendation for a rate different from that certified, the board shall establish a  
66 new rate based upon such statement of reasons. If the board determines that the statement of  
67 reasons is inadequate to determine a fair, reasonable and adequate rate, it may remand the appeal  
68 to the hearing officer for further investigation. Any party aggrieved by a decision of the division  
69 may, within 30 days of the receipt of such decision, file a petition for review in superior court for  
70 the county of Suffolk, which shall have exclusive jurisdiction of such review.

71 A subsidized child care provider may appeal as an aggrieved party under the preceding  
72 sentence, in the event that a remand by the board to a hearing officer does not result in a final  
73 decision by the board within 21 days of the date of remand.

74 The petition shall set forth the grounds upon which the decision of the division should be  
75 set aside. The aggrieved party shall, within 7 days after the petition for review is filed, notify the  
76 board and all the parties to the appeal before said division that a petition for review has been  
77 filed by sending each a copy thereof. Within 40 days after the petition for review is filed, or  
78 within such further time as the court may allow, the division of administrative law appeals shall

79 file in court the original or a certified copy of the record under review. The court may affirm,  
80 modify or set aside the decision of the board in whole or in part, remand the decision to the board  
81 for further proceedings or enter such other order as justice may require. Nothing in this section  
82 shall be construed to prevent the division from granting temporary relief if, in its discretion, such  
83 relief is justified nor, from informally adjusting or settling controversies with the consent of all  
84 parties.

85

86 Judicial review shall be governed by section 14 of chapter 30A to the extent not  
87 inconsistent with this section.”

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89 SECTION 4. This act shall take effect July 1, 2019.