

HOUSE BILL 992

By Love

AN ACT to amend Tennessee Code Annotated, Title 71,
Chapter 3, relative to child care.

WHEREAS, the provision of child care is an essential service in this State that is relied upon by many working Tennessee parents; and

WHEREAS, the cost of child care services has become burdensome to many families due to inflationary and other factors; and

WHEREAS, child care workers and early childhood educators are often underpaid relative to the quality and necessity of the dedicated services they provide; and

WHEREAS, the high cost of child care is often especially burdensome to child care workers, even in the very child care agencies or other settings in which they work; and

WHEREAS, the Department of Human Services should utilize the Child Care WAGE\$ program as a model to reward early childhood educators for their years of dedicated service and promote longevity in the profession; now, therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 71, Chapter 3, Part 5, is amended by adding the following as new sections:

71-3-522.

(a) This section is known and may be cited as the "Child Care Workforce Improvement Act."

(b)

(1) The commissioner shall develop, and, no later than January 1, 2026, implement a Child Care WAGE\$ Tennessee program to provide supplemental

payments to full- and part-time child care workers in this state based upon time in service.

(2) A child care worker is eligible to receive a supplemental payment under the program established pursuant to subdivision (b)(1) if the child care worker:

(A) Works at a child care program licensed by the department;

(B) Earns twenty dollars (\$20) per hour or less;

(C) Has worked at least six (6) months in the same child care program, at least ten (10) classroom hours per week, with children from birth to five (5) years of age; and

(D) Is employed at the same child care program at a time when funding is available and a final confirmation has been completed.

(c) Beginning January 1, 2026, and each January 1 thereafter, the commissioner shall annually adjust the payments for the program described in subsection (b) by the percentage increase in the consumer price index's United States average for all urban consumers, as prepared by the United States department of labor's bureau of labor statistics.

(d) The commissioner may use funds from the child care improvement fund established pursuant to § 71-3-520 to support and supplement the program described in subsection (b).

71-3-523.

(a) As used in this section, "early childhood educator" means an employee who works at least twenty (20) hours per week at a licensed child care center, family child care home, or group child care home, regardless of the employee's income.

(b)

(1) The commissioner shall develop, and, no later than January 1, 2026, implement a program to provide assistance payments to eligible early childhood educators in this state through the child care payment assistance program.

(2) An early childhood educator is eligible to receive an assistance payment under the program established pursuant to subdivision (b)(1) if:

(A) The early childhood educator is a resident of this state;

(B) The early childhood educator is the parent of a child that attends:

(i) The licensed child care center, family child care home, or group child care home where the early childhood educator is employed; or

(ii) Any licensed child care center, family child care home, or group child care home in this state;

(C) The facility described in subdivision (b)(2)(B)(i) or (ii) is approved to accept, and accepts, child care assistance payments; and

(D) The early childhood educator provides proof of employment to the satisfaction of the department.

(c) The commissioner shall exclude all of an applicant early childhood educator's income, earned and unearned, when making an eligibility determination for assistance payments under the program developed pursuant to subdivision (b)(1).

(d)

(1) Except as provided in subdivision (d)(2), and unless otherwise prohibited by federal or state law, a child care agency licensed under this part shall not place a dependent child of an early childhood educator who is a recipient of assistance payments under the program developed pursuant to

subdivision (b)(1) on a wait list behind a child whose parent or guardian is not an early childhood educator receiving assistance payments under such program.

(2) A child care agency shall give first priority on the agency's wait list to children described in § 71-3-518, if any.

(e) Beginning January 1, 2026, and each January 1 thereafter, the commissioner shall annually adjust the payments for the program described in subsection (b) by the percentage increase in the consumer price index's United States average for all urban consumers, as prepared by the United States department of labor's bureau of labor statistics.

(f) The commissioner may use funds from the child care improvement fund established pursuant to § 71-3-520 to support and supplement the program described in subsection (b).

(g) The commissioner shall include the eligibility requirements of subdivision (b)(2) in the next available application for the federal child care development fund grant.

SECTION 2. The commissioner of human services is authorized to promulgate rules to effectuate this act. The rules must be promulgated in accordance with the Uniform Administrative Procedures Act, compiled in Tennessee Code Annotated, Title 4, Chapter 5.

SECTION 3. This act takes effect upon becoming a law, the public welfare requiring it.