

INTERIM JOINT COMMITTEE ON APPROPRIATIONS & REVENUE

Budget Review Subcommittee on Human Resources

Minutes of the 3rd Meeting of the 2021 Interim

August 4, 2021

Call to Order and Roll Call

The 3rd meeting of the Budget Review Subcommittee on Human Resources of the Interim Joint Committee on Appropriations & Revenue was held on Wednesday, August 4, 2021, at 11:00 AM, in Room 129 of the Capitol Annex. Representative Danny Bentley, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Stephen Meredith, Co-Chair; Representative Danny Bentley, Co-Chair; Senators Ralph Alvarado, Karen Berg, and Danny Carroll; Representatives Adam Bowling, Deanna Frazier, Kimberly Poore Moser, Melinda Gibbons Prunty, Steve Sheldon, Russell Webber, and Lisa Willner.

Guests: Dr. Sarah Vanover, Ph.D., Director, Division of Child Care, Department for Community Based Services, Cabinet for Health and Family Services (CHFS); Dr. Steven Stack, Commissioner, Department for Public Health (DPH), CHFS; Jan Chamness, Director, Division of Women's Health, DPH, CHFS; Sara Jo Best, MPH, President, Kentucky Health Department Association, Director, Lincoln Trail District Health Department; and Scott Lockard, Director, Kentucky River District Health Department.

LRC Staff: Miriam Fordham, Kevin Newton, and Benjamin Thompson

Approval of Minutes

Senator Meredith moved to approve the minutes from the July 7, 2021 meeting of the subcommittee. Senator Carroll seconded the motion, and the minutes were approved without objection.

Overview of American Rescue Plan Act (ARPA) Funding for Child Care Providers

Dr. Vanover provided an update on ARPA funding and the use of stabilization payments to support child care providers.

In response to questions from Senator Meredith, Dr. Vanover noted that the goal of having a tiered system for stabilization payments are to encourage a higher quality of care

within early childhood education, rather than penalize those who pay a higher starting wage. Dr. Vanover stated that many providers that are expected to apply for the second and third tiers of the plan already pay the required starting wage. Dr. Vanover said that some tier 1 facilities have chosen to pay a retention bonus to employees. Sixty-five of Kentucky's one hundred and twenty counties are considered child care deserts, meaning there is not enough child care to adequately serve the population, mostly in rural areas.

In response to questions from Senator Carroll, Dr. Vanover confirmed that the increased starting pay requirement for tier two and tier three stabilization payments applies to all staff in the facility, not just those who work directly with the children.

In response to questions from Representative Bowling, Dr. Vanover said that the stabilization payment that a child care provider receives will depend on its capacity, rather than a flat rate for everyone. Every provider signs a contract regarding the use of ARPA funds. If funds are found to have been misused, then that provider would be responsible for repaying the misused portion of funding.

In response to questions from Representative Moser, Dr. Vanover stated that she did not believe the Department for Community Based Services would have need to eliminate any programs.

Update on Implementation of 2020 House Bill 129 and Funding for Foundational Public Health Programs

Dr. Stack, Ms. Chamness, and Ms. Best provided information regarding the implementation of Kentucky's Public Health transformation.

In response to a question from Senator Meredith, Mr. Lockard agreed that a lot of things can be done at the local level to increase health outcomes.

In response to a question from Chair Bentley, Ms. Best confirmed that additional general fund would be necessary to sustain the core public health foundation services in the 2022-2024 Fiscal Biennium.

There being no further business before the subcommittee, the meeting was adjourned at 12:43 PM.