

MINUTES

**SENATE INTERIM COMMITTEE ON CHILDREN AND YOUTH
HOUSE COMMITTEE ON AGING, CHILDREN AND YOUTH, LEGISLATIVE AND
MILITARY AFFAIRS
HOUSE EARLY CHILDHOOD SUBCOMMITTEE OF EDUCATION
MEETING JOINTLY**

Monday, October 19, 2020

1:00 P.M.

Room A, MAC

Little Rock, Arkansas

Committee members present: Senators Mathew Pitsch, Vice-Chair; Will Bond, Alan Clark, Gary Stubblefield, and David Wallace; Representatives Charlene Fite, Chair; Jana Della Rosa, Chair; Rick Beck, LeAnne Burch, Craig Christiansen, Cindy Crawford, Brian Evans, Denise Garner, Jasen Kelly, Tippy McCullough, Richard McGrew, Keith Slape, and Joy Springer

Other Members in attendance: Senator Kim Hammer; Representatives Mary Bentley, Cameron Cooper, Lanny Fite, Vivian Flowers, Fredrick Love, Aaron Pilkington, Johnny Rye, Jamie Scott, Brandt Smith, and Nelda Speaks

Representative Fite called the meeting to order.

Consideration to Approve Minutes of the July 9, 2020, Meeting [Exhibit C]

Representative Evans made a motion to adopt the minutes from July 9, 2020, meeting with a second by Senator Stubblefield. The motion carried.

Presentation on Brian Science of Newborns and the Impact of Childcare on Development
[Exhibits D.1-D.3]

Ms. Jennifer Palmer, Policy Associate, Children and Family Science, National Conference of State Legislatures, stated National Conference of State Legislators (NCSL) is a bi-partisan membership organization with 7,383 legislators and an all legislative staff, with offices in Denver and Washington, DC. Their mission is to improve the quality and effectiveness of state legislators, promote policy innovation and communication among state legislators, and ensure state legislatures are a strong, cohesive voice in the federal system.

Dr. Sarah Lytle, Director of Outreach and Education, Institute of Learning and Brain Sciences, University of Washington, presented the different stages of a child's life and the growing process. From the time of birth children are already at a 25% brain growth rate and by the age of 5 they have developed at a 92% brain growth development rate. During the growing process children go through different brain growth processes called the blooming process, pruning, and thriving process, all of

which allows them to go through different life experiences. The study of the brain is conducted inside of a Magnetoencephalography (MEG), which has 306 sensors, that measures the activity of the brain. It has been found that children have different levels of stressors in the brain, such as toxic, tolerable, and positive, which are studied in the terms of behavior.

Presentation on Home Visits Program [Exhibit E]

Lori Bridges, Director, Early Childhood Programs, Division of Elementary and Secondary Education (DESE), presented the highlights of the Arkansas Better Chance Program (ABC). The program focused on eligibility for families who are living in the 200% or less of the federal poverty level, and children that are considered to be at risk academically. The ABC program offers different models: Center Based High Quality Early Learning, Home Visiting High Quality Learning, Home Instruction for Parents of Preschool Youngsters which includes ages 2-5, and Parents as Teachers which includes ages from birth to 5. The ABC program offers early interventions for health and developmental screenings, meaningful parent and community engagement activities, and curriculum alignment with the Arkansas Child Development.

Susan Underwood, Arkansas Better Chance Program Manager, DESE, provided information regarding ABC 2020-2021 funding. The program has awarded 23,420 seats, in which 239 are centers and home visiting agencies. The agencies are located in 137 school districts, along with ten educational service cooperatives, 72 community based early childhood education programs, 26 home visiting agencies, and two institutions of higher education. ABC is not the only funding for the program; there is also the Child Care Development Funding (CCDF), Head Start Program, tuition payment programs that are paid for by parents, title funds, the National School Lunch Program, and the Child Nutrition Program. Ms. Underwood mentioned the University of Arkansas Research Center determined that students who attend the ABC program perform better on state assessments and have a lower retention rate than children who did not participate in the program.

Presentation on Child Care Facilities and Early Childhood Education in Arkansas during COVID-19 [Exhibit F]

Tonya Williams, Director, Division of Child Care & Early Childhood Education, Arkansas Department of Human Services, provided data on early childhood education prior to March 2020 and during COVID-19. Prior to March 2020, the program served 194,081 kids; it is now only serving 163,039. There were a total of 20 programs that closed their doors permanently due to the pandemic. The Cares Act provided \$41.4 million to the Child Care Development block grant to licensed programs who remained open during the pandemic for needed supplies, child care assistance for essential works, supplemental funding and reimbursement costs for sanitation cleaning. As of October 5, 2020, a total of \$24.5 million of the funding has been spent. Ms. Williams also reviewed the child care pandemic requirements for screening individuals prior to entry. There have been 273 children and 416 staff members who have tested positive for Covid-19 which was reported to the Division of Child Care and Early Childhood Education (DCCECE) and the Arkansas Department of Health (ADH). There are some challenges within the program such as: hiring staff, attendance, a shift in funding model, and at least 400 providers not participating.

Presentation on Tax Credits for Child Care in Arkansas [Exhibit G]

Paul Gehring, Assistant Commission of Revenue, Department of Finance and Administration (DFA), presented a PowerPoint presentation on the Child Care Credit. The presentation provided information on the Child Care Credit and its purpose to provide a credit to individuals for expenses for household and dependent care services necessary for gainful employment. This is a non-refundable tax credit of 20% that is allowed on the taxpayer's Arkansas individual income tax return. According to DFA's 2018 records, 54,007 taxpayer's claimed a total of \$6,292,264 in credits, and the 2019 records reported, 51,254 taxpayer's claimed a total of \$6,038,584 in credits. Also, the Early Childhood Program Credit is a refundable credit equal to 20% of the federal Child Care Credit. DFA reported that 1,076 returns claimed a total of \$136,692 in credits for 2019. For 2018 records reported 915 returns claimed a total of \$114,088 in credits. Individuals are not permitted to claim both the Child Care Credit and the Early Childhood Program Credit. See Ark. Code Ann. § 26-51-502 (c) (2).

The Employer-Provided Child Care Credit is for a business that operates, or contracts to operate, a child care facility for the primary purpose of providing child care services to its employees and is allowed an income tax credit of three and nine-tenths percent (3.9%) of the annual salary of its employees employed exclusively in providing a child care service, or a \$5,000 income tax credit for the first year the business provides its employees with a child care facility. For the Employer-Provided Child Care Credit, DFA was unable to locate any return information for the 2018 or 2019 tax years where a taxpayer claimed the benefit of this credit.

Jennifer Liwo, Legislative Attorney, Bureau of Legislative Research, shared information on the Arkansas v. Missouri Differences in Child Care Facility Licensing Laws.

Arkansas Department of Human Services, DCCECE, Rules for Review [Exhibit H.1]

Kelli Hilburn, Program Manager, DCCECE, Department of Human Services (DHS), reviewed the Minimum Licensing Requirements (Child Care Centers, Licensed Child Care Family Homes, Out-of-School Time Facilities, & Registered Child Care Facility Homes) rule. She reviewed DHS changes to comply with DHS Exclusion Policy 1088 that prevents excluded individuals and related parties from conducting business with DHS. The rule secondarily states that submission of false information to DCCECE is grounds for revocation of a child care license. In conclusion, the rule elaborated on the Out-of-School Time Facilities requiring them to have an authorized record of up-to-date immunizations or an exemption from the Arkansas Department of Health.

Representative Fite stated without objection the rule stands as reviewed.

Department of Human Services, Division of Children and Family Services (DCFS) [Exhibits J.1 – J4]

Mischa Martin, Director, DCFS, DHS, reviewed the Annual Report Card, State Fiscal Year (SFY) 2020, July 1, 2019 – June 30, 2020, as well as the Summary of Garrett's Law for SFY 2020, and the Garrett's Law Referrals for July 1, 2019 – June 30, 2020. The Annual Report provided a synopsis of DCFS child care cases with a breakdown of the report from July 1, 2019 through June 30, 2020. Previous reports showed a decrease in the number of kids in foster care, however since the beginning of the pandemic that number shows a slight increase. The number of kids exiting foster care is down to

only 3,177 for SFY 2020. The appendix of the report provides a breakdown of child maltreatment investigations by county and area. Ms. Martin reported on the Summary of Garrett's Law Referrals for SFY 2020; there were 1,350 Garrett's Law reports accepted for investigation, a 3% increase from the previous year. Marijuana was the most commonly mentioned illegal substance, with 73% cited marijuana use, either separately or in combination with other drugs, followed by amphetamines/methamphetamines (27%), opiates (11%), benzodiazepines (6%), and cocaine (4%). During SFY 2020, 94% of the Garrett's Law reports statewide were substantiated, similar to substantiation rate over previous years. Ms. Martin mentioned that DCFS has implemented a program called Safe Care, which is a program that targets different populations, with those falling under Garrett's Law being the one most targeted.

Arkansas State Police (ASP), Crimes Against Children Division (CACD), Quarterly Oversight Report (April – June 2020) [Exhibit K]

Major Jeff Drew, Commander, ASP, provided a brief summary of the Quarterly Oversight report with 10,862 total calls received and 6,249 calls accepted. The Hotline dispatched 1,131 Priority I allegations for investigation to CACD during the quarter, while DCFS was assigned 4,353 referrals and 765 for Differential Responses. There was a total of 1,203 cases opened, 190 cases closed, and 443 were found true.

With no further business, the meeting adjourned at 3:00 p.m.